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CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

VIACOM C-BAND PLAY SPURS PAY WARS

TAX LAW CHANGE HAS DEAL MAKING AT FEVER PITCH

DEREGULATION TOP SUBJECT AT ATLANTIC SHOW

SCRIPPS HOWARD HAS BIG PLANS IN CABLE

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VIEWER'S CHOICE

CableVision

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VIEWER'S CHOICE

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Viewer's Choice 35
After a year of frenzied competition, Viewer's Choice is sticking with its gameplan, demonstrating that its approach is as appealing as any other in a market that has yet to define its true parameters.

Film product comparison-December

Film	Pay Networks					Distributor
Adventures of Buckaroo Bonzai, The		(ST)			MAX*	20th Century-Fox
Adventures of Huckleberry Finn, The			(TMC)	(HTN)	MAX	Great Amwell
Airplane!	(HBO)	ST	(TMC)		(MAX)	Paramount
Almost You			TMC			20th Century-Fox
Altered States		(ST)			MAX*	Warner Bros.
Amazing Mr. Blunden, The		HBO				Excel Tel
American Flyers	(HBO)	(ST)	(TMC)	HTN*		Warner Bros.
American Ninja		(ST)	TMC			Cannon
". . . And Justice for All"					MAX	Columbia
Animals Are Beautiful				HTN		Warner Bros.
Asphalt Jungle, The		ST	(TMC)			MGM/UA
Baby Blue Marine	HBO					Columbia
Bad Boys	(HBO)				MAX	Thorn-EMI
Ballad of Cable Hogue, The					MAX	Warner Bros.
Beer	HBO				(MAX)	Orion
Best Defense		ST*	(TMC)			Paramount
Bill Cosby "Himself"	HBO	ST	(TMC)	(HTN)	(MAX)	20th Century-Fox
Bitch, The		ST*				Brent Walker
Blackjack Ketchum					MAX	Columbia
Blood Ties		ST				Showtime
Blow Out		ST*				Orion
Brazil		ST	TMC		MAX	Universal
Breakfast Club, The	(HBO)	ST	(TMC)		(MAX)	Universal
Breaking All the Rules	HBO					New World
Brewster's Millions	(HBO)		(TMC)	HTN*	MAX	Universal
Bridge On the River Kwai, The					MAX	Columbia
Bring On the Girls				HTN		Universal
Bullshot	HBO					Ganga
Butterflies Are Free					MAX	Columbia
Bye Bye Braverman					MAX	Warner Bros.
Caine Mutiny, The					MAX	Columbia
California Suite					MAX*	Columbia
Camelot			(TMC)	HTN*		Warner Bros.
Candidate, The		(ST)	(TMC)	HTN*	(MAX)	Warner Bros.
Captain Horatio Hornblower			(TMC)		MAX	Warner Bros.
Challenge, The		ST				CBS
Change of Seasons, A	HBO				(MAX)	Film Finance
Cheech & Chong Still Smokin		(ST)	TMC			Paramount
Christina					MAX*	Playboy
Christmas Lillies of the Field		ST				Viacom
Christmas Mountain					MAX	Christmas Mountain
Christmas Story, A		(ST)	(TMC)		MAX	MGM/UA
Christmas That Almost Wasn't, The	HBO	ST				Castle Hill
Cimarron		(ST)	TMC			MGM/UA
City Heat	(HBO)		TMC*	(HTN)	(MAX)	Warner Bros.
City Limits		ST*				Atlantic
Clue		ST				Paramount
Code of Silence	(HBO)				MAX*	Orion
Come Fill the Cup					MAX	Warner Bros.
Come Fly With Me		ST	TMC			MGM/UA
Comfort and Joy	(HBO)			HTN*		Universal
Competition, The	HBO					Columbia
Conan the Barbarian					MAX	Universal
Confessions from A Holiday Camp					MAX	Columbia
Continental Divide			(TMC)	HTN	(MAX)	Universal
Cotton Club, The	HBO	(ST)			(MAX)	Orion
Country	(HBO)		TMC*			Touchstone
Cross Creek					MAX	Thorn-EMI
Dance With A Stranger			TMC			Goldwyn
Dead and Buried	HBO					Film Finance
Desperately Seeking Susan	(HBO)			(HTN)	MAX	Orion
Desperate Search			TMC*			MGM/UA
Double Man, The			TMC	HTN*		Warner Bros.
Dreamscape	(HBO)		(TMC)	(HTN)	MAX	20th Century-Fox
Elephant Man, The		ST			MAX	Paramount
Elusive Pimpernel, The			TMC			New Century
Emerald Forest, The		(ST)	TMC*			Lew Grade
Empire Strikes Back, The	HBO	(ST)	(TMC)	(HTN)	MAX	Lucasfilm
Enemy Mine	HBO	ST	TMC			20th Century-Fox
Fandango	HBO		(TMC)		(MAX)	Warner Bros.
Father of the Bride			TMC*			MGM/UA
Fever Pitch	HBO					MGM/UA
"Finders Keepers"	HBO				(MAX)	CBS
Flamingo Kid, The	(HBO)	ST	(TMC)	HTN*	(MAX)	Universal
Flash Gordon					MAX	Famous Films
Fletch	HBO*	ST	(TMC)	HTN*	(MAX)	Universal
Foreplay					MAX	Fox/Lorber
For the First Time			TMC			MGM/UA
Four Men And A Prayer			TMC			20th Century-Fox
Fright Night					MAX	Columbia
From Here To Eternity					MAX	Columbia
Funny Lady					MAX	Columbia
Get Crazy			TMC*			Embassy
Ghostbusters	HBO*				(MAX)	Columbia
Girls Just Want To Have Fun	(HBO)				MAX	New World
Give My Regards To Broad Street	(HBO)	ST	(TMC)			20th Century-Fox
Golden Arrow, The		ST				MGM/UA
Goodbye New York	HBO					Castle Hill
Good Guys and The Bad Guys, The					MAX	Warner Bros.
Gotcha			(TMC)	HTN*	(MAX)	Universal
Grandview U.S.A.	HBO*					CBS
Great Bank Hoax, The				HTN		Warner Bros.
Great Catherine, The			(TMC)	HTN	(MAX)	Warner Bros.
Guns of Navarone, The					MAX	Columbia
Gymkata	HBO				(MAX)	MGM/UA
Head					MAX	Columbia
Heartbreak House		ST				Showtime
Heart Is A Lonely Hunter, The			TMC	HTN	MAX	Warner Bros.
Heartland		ST				Goldwyn
Heaven Help Us	(HBO)				MAX	Silver Screen
Heavenly Bodies	HBO				(MAX)	MGM/UA
High Anxiety			TMC		MAX	20th Century-Fox
Highest Honor, The					MAX	New World
Highpoint	HBO			(HTN)		New World
Hit, The			TMC			Embassy
Hollywood Hot Tubs		ST				Seymour Borde
Home of Our Own, A			TMC			Viacom
Hot Resort	HBO	ST*			(MAX)	Cannon
H.O.T.S.		ST				Blum Group
Howling II					MAX	Hemdale
Hundra			TMC*			Goldfarb
I Confesss					MAX	Warner Bros.
I, Desire	HBO					Columbia
If Ever I See You Again	HBO					Columbia
Into the Night	HBO		TMC*		(MAX)	Universal
Invasion U.S.A.		(ST)	TMC			Cannon
It Happened At The World's Fair		(ST)	TMC			MGM/UA
Jaws		(ST)	(TMC)	HTN*	(MAX)	Universal
Jesus	(HBO)			HTN		Warner Bros.
Joey	HBO		TMC		(MAX)	Satori
Kid Colter	HBO					The Movie Store
Kind Lady			TMC			MGM/UA
King of the Jungle				HTN*		Universal
Kiss of the Spider Woman			TMC			Embassy
Klute		ST			MAX	Warner Bros.
Last Dragon, The					MAX	Tri-Star
Learning Tree, The				HTN*		Warner Bros.
Little Drummer Girl, The	(HBO)		TMC		(MAX)	Warner Bros.
Lost In America	HBO	ST*			(MAX)	Warner Bros.
Love And Death			TMC*			MGM/UA
Macaroni		ST*				Paramount
Manhattan			TMC*			MGM/UA
Maria's Lovers	HBO					Cannon
Marie: A True Story		ST				TBS
Marvin & Tige		ST	(TMC)			Castle Hill
Mask	(HBO)	(ST)	TMC*	HTN	MAX*	Universal
Massive Retaliation	HBO			(HTN)		Massive
Mating Game, The	HBO					MGM/UA
McCabe and Mrs. Miller			TMC			Warner Bros.
Memories Never Die	HBO					Universal
Micki and Maude	HBO*				(MAX)	Columbia
Missing In Action	(HBO)	ST*			(MAX)	Cannon
Missing In Action II			(TMC)		MAX*	Cannon
Modern Times			TMC	(HTN)		20th Century-Fox
Moving Violations	HBO		(TMC)			20th Century-Fox
Mr. T's Be Somebody				HTN*		Universal
Music Lovers, The			TMC*			MGM/UA
1984			TMC*		(MAX)	Atlantic
Naked Face, The	HBO	ST			(MAX)	Cannon
Nana			TMC			Viacom
Nickel Mountain	HBO				(MAX)	ZIV International
Nighthawks			(TMC)		MAX*	Universal
Night the Lights Went Out In Georgia, The					MAX	Viacom
Ninja III-The Domination			TMC		(MAX)	Cannnon
Ninja Wars		ST*				Muller Media
O'Henry's Full House			TMC		MAX	20th Century-Fox
Oh God! Book II				(HTN)	MAX	Warner Bros.
"Oliver!"					MAX	Columbia
Oliver Twist		ST				New Century

James Garner and Sally Field star in 'Murphy's Romance.'

Film	Pay Networks					Distributor
Omega Man, The			TMC			Warner Bros.
Once Bitten	(HBO)		TMC			Goldwyn
One Potato, Two Potato			TMC			Warner Bros.
Ordeal By Innocence					MAX	Cannon
Owl and The Pussycat, The					MAX	Columbia
Passage To India, A	HBO			(HTN)		Thorn-EMI
Perfect	HBO*					Columbia
Phar Lap	HBO		(TMC)	(HTN)	(MAX)	20th Century-Fox
Phobia	HBO		TMC			Paramount
Pick A Star		ST				MGM/UA
Picnic		ST				Showtime
Piece of the Action, A					MAX	Warner Bros.
Pilot, The	HBO					Southbrook
Police Academy II	(HBO)	(ST)	(TMC)		MAX	Warner Bros.
Power and The Prize, The			TMC*			MGM/UA
Private History of a Campaign That Failed, A			TMC			Transcon
Privates On Parade					MAX	Handmade Films
Rainbow Brite and the Star Stealer	HBO					Warner Bros.
Raintree County		ST	(TMC)			MGM/UA
Rambo First Blood Part II	(HBO)				MAX*	Tri-Star
Razorback			(TMC)		MAX*	Warner Bros.
Red Sonja		(ST)	TMC*			TBS
Revenge of the Nerds	HBO*	(ST)	(TMC)		(MAX)	20th Century-Fox
Revolution	HBO					Warner Bros.
Richard Pryor Live In Concert			TMC*		(MAX)	Gary Biller
Rider On The Rain	HBO		TMC			Castle Hill
Rio Bravo	(HBO)		TMC*	HTN*		Warner Bros.
River, The	(HBO)		TMC	HTN*	(MAX)	Universal
Rocky IV	HBO				MAX	MGM/UA
Roll of Thunder, Hear My Cry		ST				Viacom
Rosebud Beach Hotel	HBO*		TMC			Almi
Rubber Tarzan			TMC*			Janus Films
Santa Claus	HBO				MAX	Tri-Star
Second Thoughts	HBO					Thorn-EMI
Secret Admirer, The	HBO*					Orion
Secret Places	(HBO)		(TMC)		MAX	20th Century-Fox
Seems Like Old Times	HBO					Columbia
Serial			TMC*		(MAX)	Paramount
Sensuous Nurse, The		ST			MAX	Castle Hill
Shining Season, A					MAX	Columbia
Shoot the Moon			TMC			MGM/UA
Silver Chalice, The			TMC		MAX	Warner Bros.
Sinful Davey			TMC*			MGM/UA
Six Weeks	(HBO)				MAX	Polygram
Skidoo			TMC			Paramount
Skin Game, The				HTN		Warner Bros.
Skirts Ahoy			TMC			MGM/UA
Soldier of Orange			TMC			Goldwyn
Some Kind of Hero		ST*	(TMC)		(MAX)	Paramount
Spies Like Us	HBO					Warner Bros.
Starman	HBO*					Columbia
Stick		(ST)	(TMC)		MAX*	Universal
Strange Lady In Town		ST				Warner Bros
Stranger's Kiss	HBO					Kill Productions
Streetwalkin'					MAX	Concorde
Stuck On You			TMC			Troma
Summertime		ST	(TMC)			New Century
Sun Valley Serenade					MAX	20th Century-Fox
Sure Thing, The		ST	(TMC)			Embassy

Brian Dennehy, Mike Nomad and Tyrone Power Jr. star in 'Cocoon.'

Film	Pay Networks					Distributor
Suspicion					MAX	RKO
2010	(HBO)	(ST)	TMC	(HTN)	(MAX)	MGM/UA
Teen Wolf	HBO*			(HTN)	(MAX)	Atlantic
Tell Me That You Love Me	HBO			(HTN)	(MAX)	The Movie Store
Tender Trap, The		ST			MAX	MGM/UA
Terminator, The	(HBO)				MAX	Hemdale
Terror In The Aisles	(HBO)	ST	(TMC)			Universal
Test of Love, A				HTN*	(MAX)	Universal
That Was Then . . . This Is Now		ST				Paramount
These Wilder Years		ST				MGM/UA
Tom Sawyer		ST				MGM/UA
Top Hat					MAX	RKO
To Please A Lady					MAX	MGM/UA
Track of the Cat			TMC			Warner Bros.
Treasure of the Four Crowns		HBO				Cannon
Twice In A Lifetime		ST				Roberts
Twilight Time	HBO*		(TMC)			MGM/UA
Uforia					MAX	Universal
Untamed		ST		(HTN)		Universal
Used Cars					MAX	Columbia
V.I.P.s, The		ST	(TMC)			MGM/UA
Victory		(ST)	(TMC)		MAX*	Lorimar
Vision Quest			TMC		(MAX)	Warner Bros.
Volunteers	HBO*					Silver Screen
Warrior and the Sorceress, The	HBO					Concorde
Warriors, The	(HBO)		TMC*			Paramount
Weird Science	HBO	(ST)	TMC*	HTN*	(MAX)	Universal
White Nights					MAX	Columbia
Wild Geese II	HBO				(MAX)	Thorn-EMI
Winter Flight			TMC			Film Gallery
Wiseblood			TMC*			New Line Cinema
Witness		ST*				Paramount
Your Cheatin' Heart		ST	(TMC)		(MAX)	MGM/UA

Cable Network Legend:
HBO-Home Box Office
ST-Showtime
TMC-The Movie Channel
HTN-Home Theater Network
MAX-Cinemax

- Networks in parentheses indicate carriage in July, August, September, October and/or November.

- An asterisk indicates the film is a carry-over from July, August, September, October and/or November.

- In total, 251 films appear on the September schedules of Home Box Office, Showtime, The Movie Channel, Home Theater Network and Cinemax. Of those titles, during the last six months, seven have played on all five services, 12 have played on four of the five services, 28 have played on three services and 71 have played on two of the five services. One hundred and thirty-three titles were unduplicated in the last six months.

- The motion picture distributor with the most titles on pay TV in December is Warner Bros. with 38, followed by MGM/UA with 37, Columbia with 26, Universal with 24, and Twentieth Century-Fox with 15.

- Titles subject to change.

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	71,137,000	41,971,000	47	26,022,000	30
1986E	87,800,000	68,121,000	39,510,000	45	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	NA	NA

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH

Cable barometer

Television households (TVHH)	86,304,000
Homes passed by cable (HP)	64,571,000
Percent of TVHH passed by cable	74.7%
Basic cable subs	36,120,000
Percent of TVHH with basic cable	41.8%
Percent of HP with basic cable	56.0%
Pay cable subs	21,672,000
Percent of TVHH with pay cable	25.1%
Percent of HP with pay cable	33.6%
Percent of basic subs with pay cable	60.0%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Eternal Word Television Network	12
Financial News Network	4
Genesis Storytime	8
HBO (West)	13
HSN2	2, 16
HTN	16
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
Reuter Monitor Service	18
Showtime (West)	10
Tempo Television	6
TV Decisions	24
Trinity Broadcasting Network	3
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
American Movie Classics	10
American Music & Entertainment Network	15
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Sports Entertainment	11
Home Team Sports	22
Innovations In Living (HSN2)	1
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX--New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
Alternate View Network	22
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
Keyfax National Teletext Magazine	18
Moody Broadcasting Network	3
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Studioline	13
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Aurora F5 (Alascom)	**Transponder**
Alaska Satellite Television Project	24
Learn/Alaska Television Network	20
NASA Contract Channel	13

Note: A company name in parentheses following a service or network designates the transponder owner.
Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1	Tele-Communications Inc	3,778,621	(11/85)
2	American Television and Communications Corp	2,700,000	(12/85)
3	Group W Cable	2,162,000	(10/85)
4	Storer Cable Communications	1,536,000	(8/86)
5	Cox Cable Communications	1,330,956	(8/86)
6	Warner Cable Communications Inc	1,202,807	(7/86)
7	Continental Cablevision	1,198,000	(6/86)
•8	Comcast	1,095,194	(8/86)
9	United Cable	1,027,602	(7/86)
10	Newhouse Broadcasting	972,377	(4/86)
11	Viacom Cablevision	930,000	(9/86)
12	Times Mirror Cable Television Inc	835,057	(9/86)
13	Jones Intercable	767,531	(10/86)
14	UA Cablesystems Corp	740,358	(8/86)
15	Heritage Communications Inc	725,567	(8/86)
16	Sammons Communications Inc	708,609	(12/85)
17	Cablevision Co	607,335	(8/86)
18	Rogers Cablesystems Inc	534,241	(6/86)
19	Telecable Corp	473,621	(9/86)
•20	Daniels & Associates	449,156	(8/86)
21	Prime Cable Corp	413,000	(7/86)
22	McCaw Communications	383,000	(7/86)
23	Centel Cable	370,776	(9/86)
24	Cable Vision Industries	367,700	(8/86)
25	Century Communications Corp	367,000	(10/86)
26	Post-Newsweek	361,754	(7/86)
27	Wometco Cable TV Inc	355,870	(10/86)
28	Scripps-Howard	345,427	(9/86)
29	American Cablesystems Corp	323,187	(4/86)
30	Falcon Cable	302,000	(6/86)
31	Multimedia Cablevision	279,125	(9/86)
32	TCA Group	278,404	(8/86)
33	Colony Communications Inc	249,738	(9/86)
34	Maclean Hunter Cable TV Ltd	241,423	(9/86)
35	Adelphia Communications	216,619	(9/86)
36	Tele-Media	215,000	(7/86)
37	Rollins Cableview Inc	210,500	(6/86)
38	Scott Cable Communications	205,000	(3/86)
39	Rifkin & Associates	200,000	(10/86)
40	Service Electric Cable TV Inc	195,000	(7/86)
41	TCI-Taft	181,945	(9/86)
42	TKR Cable Co	181,000	(9/86)
43	Communications Service Inc	179,000	(2/85)
44	Western Communications	178,543	(10/86)
45	Cablentertainment	171,564	(9/86)
46	Sutton Capital Corp	166,561	(2/86)
47	Adams-Russell Communications	151,449	(5/86)
48	Harte-Hanks Communications	146,813	(8/86)
49	Greater Media	143,553	(9/86)
50	Cencom Cable	142,863	(10/86)
51	Lenfest Group	133,443	(8/86)
52	Harron Communications	130,671	(9/86)
53	Media General Inc	130,460	(10/86)
54	Blade Communications	105,000	(7/86)
55	Televents Inc	124,411	(9/86)
56	Harris Cable Corp	122,904	(8/86)
57	Armstrong Utilities	121,509	(7/86)
58	Palmer Communications	118,013	(7/86)
59	First Carolina Communications Inc	117,469	(7/86)
60	The Essex Group	112,418	(9/86)
61	Summit Communications	111,982	(8/86)
62	Sonic Communications	110,000	(7/86)
63	U.S. Cable Corp	103,026	(8/86)
64	Multi-Channel TV Cable Inc	101,874	(4/86)
65	Booth Communications	97,671	(7/86)
66	Simmons Communications	96,991	(7/86)
67	King Videocable	91,953	(8/86)
68	Perry Cable TV Corp	91,306	(8/86)
69	McDonald Group	90,079	(8/84)
70	WEHCO Video	84,840	(7/86)
71	Columbia Associates	80,000	(7/86)
72	Midcontinent Cable Systems Co	79,790	(9/86)
73	Marcus Communications	77,431	(8/86)
74	Pencor Services	74,868	(8/86)
75	Northland Communications	74,400	(8/86)
76	Omega Communications	74,213	(6/86)
77	Susquehanna Broadcasting	72,235	(1/86)
78	James Communications	65,000	(9/86)
79	Selkirk Communications	62,000	(2/86)
80	National Telecommunications Corp	61,625	(1/86)
81	The Daily Press	60,100	(6/86)
82	Acton Corp	56,337	(8/86)
83	Helicon Corp	55,000	(2/86)
84	Mountain Cable Co	55,000	(4/86)
85	Masada Corp	53,237	(7/86)
86	Cardinal Communications	53,200	(7/86)
87	United Video Management	52,816	(6/86)
88	Communicom	52,801	(7/86)
89	Tidel Communications	50,284	(9/86)
90	Wisconsin Cablevision and Radio Co	50,083	(7/86)
91	Chambers Cable Comm. Inc	48,643	(4/86)
92	State Cable TV	45,922	(3/86)
93	Joseph Gans Cable TV	45,679	(6/86)
94	C4 Media Corp.	45,200	(9/86)
95	Bresnan Communications Co	44,426	(8/86)
96	New England Cablevision	42,978	(5/86)
97	Dowden Communications	42,865	(7/86)
98	Donrey Cablevision	42,275	(8/86)
99	Commonwealth Cable Systems	40,987	(10/86)
100	Marsh Media	38,097	(7/86)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217. • Includes portion of Group W subscribers.

Top 100 systems

Rank	Location	Operator	Basic subs	
1	San Diego, CA	Cox Cable	270,256	(8/86)
2	Woodbury (Long Island), NY	Cablevision Co	249,600	(8/86)
3	Manhattan, NY	ATC	219,600	(12/85)
4	San Antonio, TX	Rogers	199,359	(6/86)
5	Houston, TX	Warner	192,557	(7/86)
6	East Orange, NJ	Maclean Hunter	184,214	(9/86)
7	Honolulu, HI	ATC	164,300	(12/85)
8	Seattle/Snohomish, WA	Viacom	163,000	(9/86)
9	Hartford/New Britain, CT	United Cable	153,570	(7/86)
10	Cincinnati, OH	Warner	150,796	(7/86)
11	Louisville/Jeff. Co., KY	Storer Communications	149,000	(9/86)
12	Phoenix, AZ	Times Mirror	148,267	(9/86)
13	Wayne, NJ	UA Cablesystems	147,815	(8/86)
14	Tulsa, OK	United Cable	140,333	(6/86)
15	Englewood, CO	United Cable	138,285	(8/86)
16	Tidewater (Norfolk), VA	Cox Cable	135,076	(8/86)
17	Cherry Hills, NJ	NYT	133,316	(5/86)
18	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
19	Seattle, WA	Group W	127,000	(7/86)
20	Atlanta, GA	Prime Cable Corp	125,119	(5/86)
21	Jacksonville, FL	Continental	124,000	(6/86)
22	Rochester, NY	ATC	123,500	(12/85)
23	Baltimore County, MD	Comcast	121,981	(8/86)
24	Erie County, NY	Prime Cable Corp	119,002	(11/85)
25	Manhattan, NY	Group W	115,000	(5/86)
26	Kansas City, MO	ATC	114,600	(12/85)
27	St. Louis Co., MO	Cencom Cable	111,487	(10/86)
28	San Jose, CA	Gill Industries	110,000	(5/86)
29	Austin, TX	ATC	109,700	(12/85)
30	Central Islip (Long Island), NY	Viacom	109,000	(9/86)
31	Memphis, TN	ATC	106,000	(12/85)
32	San Juan, PR	Harris Cable Corp	104,199	(8/86)
33	Toledo, OH	Buckeye Cablevision	103,982	(4/86)
34	Los Angeles, CA	Falcon	103,869	(4/86)
35	San Francisco, CA	Viacom	100,000	(9/86)
36	Jefferson Parish/Kenner, LA	Cox Cable	97,788	(8/86)
37	Fairfax, VA	Media General	97,420	(2/86)
38	Warren, NJ	TKR	97,348	(9/86)
39	Southeast Michigan	Comcast	96,250	(8/86)
40	Wilmington, DE	Rollins Cableview	93,000	(6/86)
41	San Diego, CA	ATC	92,200	(12/85)
42	Grand Rapids, MI	UA Cablesystems	89,163	(8/86)
43	Pompano, FL	American Cablesystems	88,440	(4/86)
44	Richmond/Henrico, VA	Continental	85,000	(6/86)
45	Pittsburgh, PA	Tele-Communications Inc	84,517	(6/86)
46	Dallas, TX	Heritage	84,442	(8/86)
47	Escondido, CA	Times Mirror	84,180	(9/86)
48	Dade/Broward, FL	Storer	84,000	(8/86)
49	Wichita, KS	Multimedia Cablevision	83,729	(9/86)
50	Jackson/Monroe, MS	ATC	82,500	(12/85)
51	Indianapolis, IN	Indianapolis Cablevision Inc	80,969	(5/86)
52	Charlotte, NC	ATC	78,700	(12/85)
53	Clearwater, FL	Vision Cable	78,600	(7/85)
54	Puget Sound, WA	Viacom	78,000	(9/86)
55	Raleigh, N.C.	ATC	77,600	(12/85)
56	South Texas, TX	Heritage	76,654	(8/86)
57	Baton Rouge, LA	Cablevision Co	76,518	(12/85)
58	Tacoma, WA	Cable TV of Puget Sound	76,132	(5/86)
59	Boston, MA	Cablevison	76,000	(8/86)
60	New Orleans, LA	Cox Cable	75,162	(8/86)
61	Chicago, IL	Group W	75,000	(4/86)
62	Flint, MI	Comcast Cable	74,933	(8/86)
63	Greensboro, N.C.	ATC	74,100	(12/85)
64	Santa Monica, CA	Group W	74,000	(5/86)
65	South Bend, IN	Heritage	70,710	(8/86)
66	Orange County, CA	Times Mirror	70,600	(9/86)
67	Las Vegas, NV	Prime	70,091	(5/86)
68	Cleveland Heights, OH	Viacom	70,000	(9/86)
69	Allentown, PA	Service Elec	70,000	(7/86)
70	Fayetteville, NC	ATC	69,000	(9/86)
71	Akron, OH	Warner	67,428	(7/86)
72	Omaha, NE	Cox Cable	67,400	(8/86)
73	Medford Complex (Boston Suburbs), MA	Warner	67,017	(7/86)
74	Columbus, OH	Warner	66,892	(7/86)
75	Nashville, TN	Viacom	66,426	(5/86)
76	Ocean County, NJ	Adelphia	66,051	(6/86)
77	Little Rock, AR	Storer	66,000	(8/86)
78	St. Petersburg, FL	Group W	64,478	(5/86)
79	Syracuse (suburbs), NY	NewChannels Corp	64,065	(9/86)
80	Indianapolis, IN	ATC	64,000	(12/85)
81	Buffalo, NY	Tele-Communications Inc	63,898	(8/85)
82	Monterey, CA	Western Communications	63,731	(10/86)
83	Des Moines, IA	Heritage	63,550	(8/86)
84	New Haven, CT	Storer	63,000	(8/86)
85	Oklahoma City, OK	Cox Cable	62,788	(8/86)
86	Madison, WI	Tele-Communications Inc	62,099	(5/86)
87	El Paso, TX	Group W	62,000	(9/86)
88	Greater Bridgeport, CT	Cablevision Co.	61,620	(8/86)
89	Santa Barbara, CA	Cox Cable	61,186	(8/86)
90	Contra Costa Co. CA	Televents	61,000	(5/86)
91	Sarasota, FL	Storer	61,000	(8/86)
92	W. San Fernando Valley, CA	Valley Cable	60,866	(8/86)
93	Lower Fairfield Co., CT	Cablevision Co.	60,650	(8/86)
94	Winston-Salem, N.C.	Summit	60,481	(8/86)
95	Mt. Prospect, IL	Cablenet	60,000	(3/85)
96	Albany, GA	Storer	60,000	(8/86)
97	Birmingham, AL	ATC	59,400	(12/84)
98	Ft. Worth, TX	Sammons Communications	59,000	(7/85)
99	Oakland County, MI	United Cable	59,000	(10/85)
100	Charleston, S.C.	Storer	59,600	(8/86)

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NOVEMBER 17, 1986

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

BROADCAST STATION SALES MARKET HITS SNAG

ELECTION RESULTS OFFER MIXED BAG FOR CABLE

ADVERTISING ON PAY TV UNDER STUDY

CLASSIC MOVIE SERVICES ON A ROLL

HOPES HIGH AS NEW YORK SYSTEMS GET UNDERWAY

SYSTEM MANAGERS' ROUNDTABLE: CHALLENGES INSPIRING CREATIVITY

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CableVision

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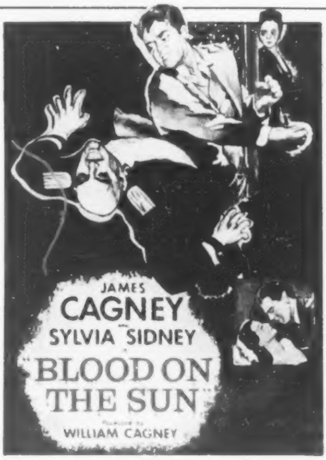

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Independent broadcasters may be on shaky legal ground claiming that must-carry understandings implicitly prohibit shifting of their signals on cable systems to higher channel numbers. But they may extract a stiff political price if the channel reshuffle pushes forward.

COVER STORY

Managers' roundtable 50
Five system managers come together for a candid discussion of the challenges they face, including, in this first installment, the slowdown in pay and the potential of pay-per-view. Pictured on the cover, clockwise from top left, are: Kay'elen Perry, area manager of Continental's Dearborn Heights/Westland, Mich., system;

Donald Levi, director of business operations, American Cablesystems of New York; Georgia Griffith, general manager, American Community Cablevision of Ithaca, N.Y.; Mary Cotter, regional vice president and general manger of McCaw Cablevision of Syracuse, N.Y., and Joseph Azznara, general manager, Cablevision of Connecticut.

Pay Per View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

December

Source

At Close Range (12/15) **HBO Enterprises**
MPAA Rating: R Running Time: 111 mins
Cast: Sean Penn, Christopher Walken, Mary Stuart Masterson

Blue City (12/3) **Paramount**
MPAA Rating: R Running Time: 83 mins
Cast: Judd Nelson, Ally Sheedy

Cobra (12/31) **Warner Bros**
MPAA Rating: R Running Time: 87 mins
Cast: Sylvester Stallone, Brigitte Nielsen, Reni Santoni, Andrew Robinson

Dead End Drive-In (12/14) **HBO Enterprises**
MPAA Rating: R Running Time: 92 mins
Cast: Ned Manning, Natalie McCurry, Peter Whitford

Desert Bloom (12/1) **Columbia**
MPAA Rating: PG Running Time: 106 mins
Cast: Jobeth Williams, John Voigt

Fire With Fire (12/3) **Paramount**
MPAA Rating: PG-13 Running Time: 104 mins
Cast: Craig Sheffer, Virginia Madsen, Kate Reid

Legend (12/1) **Universal**
MPAA Rating: PG Running Time: 89 mins
Cast: Tom Cruise, Mia Sara, Tim Curry

Making Contact (12/18) **HBO Enterprises**
MPAA Rating: PG Running Time: 88 mins
Cast: Joshua Morrell, Eva Kryll, Tammy Shields

Police Academy 3: Back In Training (12/20) **Warner Bros**
MPAA Rating: PG Running Time: 84 mins
Cast: Steve Guttenberg, Bubba Smith, Tim Kazurinsky, Michael Winslow

Poltergeist II (12/1) **United Artists**
MPAA Rating: PG Running Time: 90 mins
Cast: Jobeth Williams, Craig T. Nelson, Heather O'Rourke

Short Circuit (12/1) **Tri-Star**
MPAA Rating: PG Running Time: 99 mins
Cast: Ally Sheedy, Steve Guttenberg, Fisher Stevens

Sweet Liberty (12/1) **Universal**
MPAA Rating: PG Running Time: 107 mins
Cast: Alan Alda, Michael Caine, Michelle Pfeiffer

Vamp (12/1) **HBO Enterprises**
MPAA Rating: R Running Time: 91 mins
Cast: Grace Jones, Gedde Wattanabe, Chris Makepeace

January

Source

About Last Night (1/1) **Tri-Star**
MPAA Rating: R Running Time: 114 mins
Cast: Rob Lowe, Demi Moore

Adventures of the American Rabbit (1/21) **Paramount**
MPAA Rating: G Running Time: 82 mins
Cast: Animated

Big Trouble In Little China (1/1) **20th Century Fox**
MPAA Rating: PG-13 Running Time: 99 mins
Cast: Kurt Russell, Kim Cattrall

Extremities (1/21) **Paramount**
MPAA Rating: R Running Time: 90 mins
Cast: Farrah Fawcett, James Russo, Alfre Woodard

Gobots: Battle of the Rock Lords (1/21) **Paramount**
MPAA Rating: G Running Time: 74 mins
Cast: Animated

Howard the Duck (1/22) **Universal**
MPAA Rating: PG Running Time: 111 mins
Cast: Lea Thompson, Jeffrey Jones

Indiana Jones and the Temple of Doom (1/1) **Paramount**
MPAA Rating: PG Running Time: 118 mins
Cast: Harrison Ford, Kate Capshaw, Ke Huy Quan

Karate Kid Part II (1/29) **Columbia**
MPAA Rating: PG Running Time: 109 mins
Cast: Ralph Macchio, Pat Morita

Miracles (1/14) **HBO Enterprises**
MPAA Rating: PG Running Time: 90 mins
Cast: Tom Conti, Teri Garr, Christopher Lloyd

Out of Bounds (1/1) **Columbia**
MPAA Rating: R Running Time: 93 mins
Cast: Anthony Michael Hall

Under the Cherry Moon (1/5) **Warner Bros.**
MPAA Rating: PG-13 Running Time: 100 mins
Cast: Prince

Water (1/21) **Paramount**
MPAA Rating: PG-13 Running Time: 89 mins
Cast: Michael Caine, Brenda Vaccaro, Valerie Perrine

Note: Running times are approximate.

Film information provided to International Thomson Communications Inc. by distributors.

Pay Per View Services Profile

Service:	**Cable Video Store**	**Request Television**	**Telstar Channels**	**Viewer's Choice**
Launch:	April 1, 1986	November 27, 1985	June 5, 1986	November 26, 1985
Delivery:	Satcom 4, transponder 16	Galaxy 1, transponder 12	Interrum standalone, presently testing on Telstar 303	VC-1 Satcom 3R, transponder 5 VC-2 Galaxy 1, transponder 16
Encryption:	M/A-COM VideoCipher II	M/A-COM VideoCipher II	Presently testing General Instrument Starlor IV	M/A-COM VideoCipher II
Programming:	All movies, 24 hours per day 50-60 titles per month	Two to four major motion pictures per week, special events	Channels 1&2: two major motion pictures on biweekly rotation. Channel 3: three major motion pictures per week, special events	One major motion picture per week, special events
Subscribers:	Field trial basis, currently serving 10 MSO's nationwide (2,500 + Impulse addressable subscribers)	Available in systems serving 2 million subs (1.4 million addressable)	Available in systems serving 74,000 subs (11,500 addressable)	Available in systems serving 2 million subs (1.6 million addressable)

COVER STORY

MANAGEMENT

System managers' roundtable, Part I

Life on the firing line

A frank discussion of key issues facing cable operators from the perspectives of five system managers

The challenges of cable system management have never been greater, with the slowdown in pay, the dawning of deregulation and the issue surrounding subscriber gear topping an agenda that has as its primary focus the improvement of the public's perception of cable as an entertainment buy. All of these and related issues were on the minds of five system managers who convened in New York recently for CableVision*'s first managers' roundtable. The participants were Joseph Azznara, general manager of Cablevision Systems Development's two systems in southern Connecticut; Mary Cotter, regional vice president and general manager of McCaw's Syracuse, New York system; Georgia Griffith, general manager of American Television and Communication's cluster of Ithaca, New York franchises; Donald Levi, director of business operations for the cluster of Rockland and Westchester County systems constituting American Cablesystems of New York, and Kay'elen Perry, area manager of the Continental newbuilds in Dearborn Heights and Westland, Michigan, near Detroit. Executive Editor Fred Dawson led the discussion. Part I focuses on the questions surrounding pay and pay-per-view programming, along with the attendant issue of addressability. Part II will appear in the December 1 Western Show issue. For a quick overview of the systems discussed, see the box below.*

CV: Kay, your're seeing a dropoff in pay; you were at 295 pay to basic, now you're at 220, and you're projecting 195. What are the key factors you see in this trend and what are you doing about it?

Perry: In order to keep the bottom from coming completely out of the bucket, we're examining many opportunities. Our situation would be far worse if it weren't for the addition of Pro Am Sports Network, which is a regional sports network in the greater Detroit area. The numbers would be pretty bad. Fortunately, we were saved by the addition of that service in early 1985. So the numbers I've just given you could be substantially worse.

Cotter: How much are you charging for that?

Perry: That is $11.95 a la carte and $9.95 in a package. It's the highest priced among the services we offer. Its strong draw is the Detroit Tigers.

Cotter: Is it on only in the evenings?

Perry: Only in the evenings, and it's primarily seasonal. Now, I think we're going to see a change in that. We have already begun to see a change in it, because the group has recently contracted with the Red Wings, and we're going to have hockey through the winter. So that's holding those numbers for us, the ones we had lost last year are staying with us.

CV: So at that price, and with a baseball team that is not burning up the world. . .

Perry: You said that, not me. (Laughter.)

CV: . . .you've seen a remarkable stabilizing force from what would appear to be a rather thin reed.

Perry: We'll see how hockey does, but it's the differentiation of the product that is drawing subscribers.

CV: You see lack of differentiation as the primary factor hurting pay?

Perry: Yes. It's the perceived duplication, the same thing we run into all the time, the major blockbuster films being duplicated.

CV: Is there an opportunity in the face of these kinds of trends and in the context of the issue we raised earlier with regard to not enough channels to begin thinking about downloading some pays and making the pay part of the package much simpler with fewer choices?

Subscriber satisfaction

Azznara: I'd like to comment on that and a point that Kay raised, which is the question of differentiation. Really what we're talking about is subscriber satisfaction. Cablevision's philosophy from the onset in Connecticut was to put together packages that we felt served the needs of the entire viewing habits of the families that we were serving. Those packages were structured in such a way where we put on not only one or two strong pay services, but we also served the needs of the performing arts with Bravo and the classic movies with AMC. We added SportsChannel for the sports fan, and we have HBO, which is a foundation movie service, added Disney for children's programming. So we've put together a package that has a wide perceived value and a package that serves all the viewing needs of the family. With that package we deeply discounted the prices. Right now we call it our Rainbow packaging, and at the Rainbow level we offer six pay channels, and it's available in the $30 range. It's a very low margin sale for us. But it's a sale that we think stabilizes the pay subscriber, and it also limits the downgrading and churn activity that has been a problem throughout the industry. We don't see that philosophy changing with deregulation.

Joseph Azznara

CV: What about the other end of the supply line? What do you people in the marketplace believe could be done by the programmers themselves to make life easier for yourselves and the product more appealing to your subscribers.

Cotter: The first thing that needs to be done is to avoid programming the same movies at the same time. That would be a real good start. After that, I think the problem is product. There isn't anything really good. I get all the pay services in my home, and I pay for them all. But if I wasn't in cable, I wouldn't,

The Systems At A Glance

	Joseph Azznara		**Mary Cotter**
	Cablevision of Connecticut	Cablevision of Southern Conn.	McCaw Cablevision of Syracuse
MSO:	Cablevision Systems Corp.	Cablevision Systems Corp.	McCaw Communications
Communities served:	Greenwich, Stamford, Darien Norwalk, Westport, Wilton, New Canaan, Weston, Easton, Redding, Conn.	Fairfield, Bridgeport, Stratford, Milford, Orange, Woodbridge, Conn.	City of Syracuse, N.Y.
Homes passed:	100,335	108,324	66,000
Basic subscribers:	61,884	63,065	38,000
Percent penetration:	61.68%	57.17%	60%
Pay units:	214,000	105,000	31,500
Pay to basic ratio:	346%	167%	83%
Channel capacity:	52	36	38

	Georgia Griffith	**Donald Levi**	**Kay 'elen Perry**
	American Community Cablevision	American Cablesystems	Continental Cablevision of Dearborn Heights/Westland
MSO:	American Television & Communications Corp.	American Cablesystems Corp.	Continental Cablevision
Communities served:	Tompkins County and Northern Tioga County, N.Y., (19 franchises).	Scarborough, Briarcliff, Chappaqua, Hawthorne, Millwood, Ossining, Pleasantville, Tarrytown, North Tarrytown, Thornwood, Valhalla, Buchanan, Crompond, Cruggers, Croton, Mohegan Lake, Montrose, Peekskill, Verplank, Garnerville, Haverstraw, Stony Point, Pomona, Theills, Tomkins Cove, West Haverstraw, N.Y.	Dearborn Heights, Westland (Metro Detroit), MI
Homes passed:	28,500	68,625	52,000
Basic subscribers:	23,700	44,959	31,000
Percent penetration:	83%	65.5%	59.6%
Pay units:	16,000	84,106	64,500
Pay to basic ratio:	61%	187.1%	207%
Channel capacity:	25	36	62

because there are a lot of nights when you look at five pay services, and there's nothing you want to watch on them, and you end up watching WTBS because they have a great movie on. And if you can bring yourself to realize that you're just typical like everybody else, why would you pay $40 for those pay services? Now, what they can do about that, I don't know.

Levi: I've always felt, going back a little bit to pay in cable maybe four or five years ago, that we were the primary root of the customer dissatisfaction with pay services, because we used to sell pays with the notion that you're going to find what you want to see when you want to see it, which is just not correct. We built an expectation among a lot of our customers—we're selling smarter now—but we built an expectation that said HBO means new movies everytime I turn on the tv, and that's patently absurd. If we sell with the idea that a movie on a pay service might be worth a couple of bucks and there are going to be a half dozen of them a month that you're going to want to see out of that 150 separate-program mix, then we're going to be tracking a little bit better.

CV: So the answer is in lowering expectations?

Levi: Lowering expectations has a negative connotation. I think we're talking about clarifying the reality of what can be delivered through the services.

Perry: But in order to do that, don't you think the pay supplier, too, has to recognize that and say, why am I filling 24 hours a day or 18 hours a day, when, in reality, the market I want is between five and midnight, and the market I'm after is major motion pictures, period, or my market is regional sports or whatever?

Mary Cotter

Better targeting

CV: What you're really talking about, Kay, is being more targeted, more specific, and throwing the bucks into the key time slots that make the most sense in terms of who's watching when.

Perry: I think that's just part of what I see as our overall obligation to provide the kinds of variety, differentiated product to keep ourselves in front of the subscribers. Recent research shows that when you sit down to watch television in the evening, first, if you're a cable subscriber, you look for the pay product. You're buying it, so you want to see what's on that first. Then you look to the basic and then to the broadcast product. If there's nothing there, what do you do? You grab the keys and go to the video store. We want to catch them before they go for the keys.

CV: You're raising a good point. The broadcast business long ago discovered that the heart of its success was in prime time. The cable business doesn't appear to have discovered that. There's definitely a spreading out of resources over a longer time frame, and those are limited resources. You look at the ratings and you wonder how in the world, after so many years of developing a public perception of premium programming, hyping HBO, Showtime and the rest of the premium services, we're still seeing the dismal ratings performances in prime time by the pay services vs. the broadcast networks in cable homes. There's no comparison. People are still watching the mainstream broadcast product.

Griffith: I think that was certainly true over the last several years, but I wonder as we get into more heavily VCR'd households if that is going to be true. I don't think at this point that pay services ought to be looking at throwing their dollars at that point necessarily, because 50 percent of our market is going to have VCRs next year. Right now we're at the 40 percent level, and it's going to keep growing.

Azznara: We're at a 70 percent level in our systems right now, and what I find really astounding is that of those 70 percent, less than half of those people record with their VCRs.

CV: I was just about to say after Georgia that surveys have shown so far that recording, time shifting is remarkably limited.

Griffith: But I think that's *our* problem. I think it's where we've fallen short. We didn't even bother to find out how many people have VCRs until last year. We've got to be promoting our pay services as programs for your VCRs. We haven't done it well; we don't have the answers yet. But I think that has to be part of it.

Perry: I don't think the pay services are as radical in their thinking as possibly they should be.

Rethinking pricing

Azznara: I think the suppliers need to participate more in regard to promoting their services. I also think that they, in some cases, need to rethink how they're pricing themselves. As I mentioned earlier, with the packaging we have in place, we're really discounting that value to subscribers, and in some cases suppliers have participated in that discount. In others, the suppliers haven't. I think that is hurting them. If they're going to compete head on and they are looking for a viewing share, they need to be positioned properly and promoted properly. And I think their rate structure needs to reflect that, in some cases. When there is the dissatisfaction that was mentioed earlier, where the customer has gone through the channels, can't find something to watch and is reaching for the keys to go to the video store, we're going to have to prevent that. It's going to be done in two ways. One is the differentiation of programming, and the second is through pay-per-view. That pay-per-view choice may, in fact, have an impact on pay units penetration, as we have measured it in the past. We may be talking about it quite differently in the future.

Levi: I'm inclined to agree. I think pay-per-view can give us a better way to treat a VCR customer. Really, care and feeding of the VCR is something we've been marketing to for a while, as have a lot of other MSOs and programming suppliers as well—TMC with their late night video showings. We really have to go further with that. I think using access to train people in using their machines is one approach. Our installation time in VCR households is double to triple that in other households, because people don't know how to fine tune these things. Most people really don't know how to use what they have purchased, and until we get over that hurdle, whether it's through the manufacturing side or through the cable side or through a third party, I think we're going to be batting our heads against the wall.

Georgia Griffith

Scheduling conflicts

CV: What about on the pay supplier side?

Levi: I think they have to work harder on their schedules. Clearly, there's nothing worse—and I have four pay services at home—than finding the same film on at 8 o'clock prime time. I think the pay services have come a long way. They don't roll everything out in the first three days of the month anymore. Their schedules are staggered a little bit. Their carryovers don't seem to be quite as extreme.

We're packaging so that it gets a lot of pay services into the house. Here's where you throw in two more pays at the five-pay level. We're giving people bulk and hoping that within that bulk we're going to hit some buttons and deliver some of the programming that they want and, in essence, make the whole package stick. I don't think we're going to come off that philosophy long term. I think we just have to see that the overall quality of programming doesn't deteriorate. How many summertime beach-bunny movies can people really watch?

CV: Let's look at where you folks think pay-per-view fits in the picture. Does it have a significant role in working out of the premium service dilemmas?

Azznara: We're looking toward pay-per-view to attract additional subscribers that normally wouldn't or didn't subscribe for whatever reason to one of our discounted packages to try to service those needs. Our research has shown that pay-per-view purchases, with the exception of some of the special events we talked about earlier, really come from the two ends of the spectrum. You have your high users that really purchase just about anything you put before them. And you have your very low users who don't see the value in subscribing to a pay service but who would like to purchase the product on an occasional basis. So we're looking at two different types of pay-per-view subscriber.

Revenues from sampling

Perry: Why not a pay-only customer? It occurs to me that possibly this is the time when creative thinking, creative marketing approaches, testing new ideas is going to have to save our lives. By repackaging our basic services and filling up our channels, by taking advantage of some previous service opportunities that we've never had before—these are the things that will support us and carry us through this next many years and increase subscriber satisfaction. The retentative value of premium services and basic services that are not duplicated to the extent they are now is high. There is an increased perception of value. But in our case, being an addressable system, sampling is also a revenue opportunity.

CV: Have you activated that opportunity yet?

Perry: We haven't done it intentionally. It's one of the side benefits of launching these addressable systems. It was a completely unique experience for us in Michigan, having had the only addressable systems that Continental operates in the state. So it was new to all of us. But the sampling has increased the installation income substantially. It hasn't been a deterrent to the sampling process. In our system, for a subscriber to add a premium service the rate is $9.95. Typically, however, we have a discounted promotion special offer in place, and that rate is more like $5. What if we say for an additional $1 a month or an additional $2 a month we'll allow you to change premium services once each calendar month? What if we try to attack the "nevers" the "untouchables" by offering only premium services, put a converter in the house, offer pay services, don't pass along the basic services? Let them get what they want off the air, but sell to them just PASS or just pay-per-view opportunities or just an HBO.

Levi: I haven't heard a whole lot about pay-per-view from the perspective that is currently developing within American Cablesystems. We've seen some really remarkable things at certain sites. Newburyport is a good example where we've developed a pay-per-view club; we've used one of the more different pay-per-view services, the Jerrold Cable Store. In fact, we've rolled it out to the entire system just this month. But in the test market we marketed to two specific categories of customer. One was the pay-resistant, basic-only customer, and the other was the multipay customer. And we found something that sounds almost like a dream that with the multipay customer pay-per-view can be the glue to make multipays stick. A customer who is willing to pay two, three, four dollars for a single film is a much easier sell when you're offering him 150 programs on an HBO, for example, for seven or eight dollars a month. In the same vein, the basic-only customer, whether they have downgraded to basic or have always been basic, seems to have a much higher buy rate than some of the mid-range customers. So it seems that pay-per-view, while it may not be any kind of saviour, it can certainly enhance the perceived value of a lot of what we sell.

CV: That's exactly what Joe said. He's finding that the buyers are either the people who take everything or the people who take very little.

Cotter: Isn't that a bit contrary to the national reports, the national research that indicates. . .

Levi: But you have to look at what programming is being offered in those systems where the national data is generated. It just seems to me that we can do an awful lot with what we have. The buy rates in this particular market, in Newburyport, have pushed up to being equal to or greater than something in the range of one and a half incremental pay services per pay-per-view household. We don't count it in our pay-to-basic rates at this time, but we may in the future. And that also feeds into what you were talking about with regard to spin encouragement in addressable systems. We charge $5 for addressable change of service, and we do very little to discourage those sorts of changes, as long as we're maintaining a level of pay. I mean we will obviously try, if a customer says I'd like to drop my sports channel, to keep him on it.

CV: So you simply charge five bucks a pop whenever they choose to change services. It's not set up in any. . .

Donald Levi

Levi: No, but it could well be packaged as an option. And it feeds the pay-per-view kind of mentality, which I think might very well be a good direction for us to spend some serious time investigating.

Refinements or major shift?

Perry: What the subscribers really want to do is be able to look at this card and say, I want these five channels and how much will it cost. I may want it tonight, but I may not want it tomorrow night.

CV: Isn't this supposed to be the promise of cable television. . . ?

Perry: And we seem to be putting ropes around ourselves.

CV: Do you feel, from the standpoint of dealing with your headquarters, that companies are being fairly aggressive with taking full advantage of technology to exploit the market potentials of cable, or is there a pretty tight rein on purse strings and a hold on experimentation?

Griffith: Well, as far as ATC is concerned, I think with the advent of our decentralized operations a couple of years ago, certainly in the larger markets there has been a lot more experimentation. And even within the National Division, which carries the medium sized and smaller systems, what we're part of, it's encouraged. It's encouraged in a controlled way, but we are encouraged to control ourselves, to do our financials, to make sure we know where we're going, how we're going to measure the experiment along the way. Our news project is one of the examples. So is our involvement in pay-per-view or X*Press or anything else. We've got to know where we're going, why we're going, how flexible we're going to be and how we're going to measure our flexibility and our progress. But it's encouraged. I think it's encouraged more at the smaller system level, because you can lose less money. (Laughter.) We haven't been in that position yet, thank goodness, and I hope we never are.

CV: Kay, where do you stand with pay-per-view? Are you just getting into it?

Perry: Yes. We're introducing a multichannel pay-per-view test. You asked earlier what the corporate position was or how they were supporting tests. I honestly can't tell you, because I don't know how our corporate office feels about it. Continental is a very, very decentralized organization. We have difficulty, in fact, doing things the same as other systems even within the same state. We make many of our own decisions at the local level and certainly at the district level. The investment analysis is done at the system and district levels. As far as the support is concerned, though, Continental has recently, within the past two years, put together a development fund, financial resources that we can draw upon on application to the corporate office, to help fund some of the tests that we feel should be conducted, which is a great opportunity. In fact, at this point, we have applied for this multichannel pay-per-view test.

CV: Many of the MSOs that we talk to have expressed a good deal of reluctance to plunge into addressability just because there are so many problems with the logistics, and yet we're also looking at it from your perspectives, at the need for getting to what it is that makes the cable product the maximum market value that you need to, as you put it, Kay, survive. And this goes back to the question I'm asking regarding corporate support. Georgia, just to visit briefly with your situation and what you were saying earlier with regard to your ability to experiment, is the ATC rap on addressability holding you back or making life difficult for you?

Griffith: No, it hasn't, because we launched addressability and launched it to all our pay tier subs before ATC backed away from addressability, and it's working well. We've far surpassed the projections for our market, which is fine, and certainly ATC isn't going to back off something like that. I don't know how it will affect what we do in refranchising and rebuilding. Certainly it will make it easier for us to operate if our entire system is addressable, with addressable basics as well as addressable everything else. We haven't gotten to the point of running numbers yet; so I don't know, and therefore we haven't really discussed it with any of the corporate people. We will in the next six months. It hasn't held us back yet, and I don't think it will if we can show the right numbers. And because we are about two thirds addressable right now we have been able to do some things that other people haven't been able to do, like pay-per-view.

CV: Don, your company has been pretty gung ho with all this from the beginning, and yet you have the same problems to deal with that everybody else does.

Levi: I think that some of the enthusiasm relative to addressability has cooled off within our company. In fact, as I mentioned earlier, we're looking toward putting addressable converters where they'll pay back, not where they're simply a convenience for us. The idea originally was fair control of non-pay disconnects and quicker, more economical changes of service. These were the driving forces behind addressability at American initially. Pay-per-view was still a dream when we started buying addressable converters. Now we've found that in the systems where we have some unscrambled channels and we're leaning toward more unscrambled channels, that the addressable disconnect is laughable. The addressable customer says, good, stop my billing, and I'll unhook that wire from the converter and I'll hook it right to the TV, and I'll get whatever is trapped and whatever is unscrambled.

I see in New York with American fewer addressable conveters over time rather than more, but each of those converters being an incremental revenue source. And we don't need addressables for revenue from remotes. Pay-per-view is a good one, but, in my opinion, you don't have to make every customer a potential pay-per-view customer. I think some interest has to be expressed on their part before we spend the capital dollars to put addressable hardware into the home. So I see us more unscrambling, packaging, perhaps going to a non-converter service that includes a pay or two. I like what I've seen happening in a lot of places with services like Bravo and AMC.

Electronics problems

CV: Mary, how is your system handling the basic electronics problems and questions?

Cotter: We're 50 percent addressable. I think if we could do it all over again we might not do that. I really think that if there is a way to not have any equipment in the home. . . it really causes us to be unfriendly. We have trained all of our technicians to help the subscribers hook up their VCRs, to show them how to use them. I think that as a company one of the problems we have right now is that we don't know what the equipment is going to be in a couple of years. Right now you can add sidecar units on, but once you get those all on, what's the next thing?

Kay'elen Perry

So I think that we listened two years ago, and now we're saying, okay, now we're going to wait and let Joe try it out and see how it works. (Laughter.) If it works real well, maybe we'll go with it. That's where we are. We have found, unlike Don, that one of the main advantages of addressability is in collections. We turn that off and they are in there that next day to pay up. It really helps us a lot.

CV: That raises a question in my mind. Is it possible, in systems that have gone addressable, that the problems are obscuring the advantages in some ways, where the advantages are now incorporated into the buiness-as-usual syndrome and taken for granted and the hassles are always on the agenda, always there to deal with and fight with?

Cotter: It's hard when you look at the bottom line to remember that the $95 piece of equipment helped collect the bill six months ago. You're really looking at revenue that came because the subscriber had that, but you're not tracking it that way.

CV: Instead, you're looking at all the truck rolls that it took to fix the damn thing. Joe, your company, of course, is an aggressive one in this area. How are you reading this whole electronics hassle?

Azznara: I come from a company where, particularly, Chuck Dolan has been very innovative trying to put together very aggressive marketing and packaging concepts. My experience with the company over the last nine years has been that the concepts are always running far ahead of the technology as opposed to technology running ahead of us. The pay-per-view concept, for example, is something I think Mr. Dolan would have liked to have launched earlier, and we still feel that we're on the cutting edge there. But he's always in the position where he's got a number of things, new ideas that he'd like to test. And the technology, in some aspects, has held us back.

Connecticut, from the outset, was an addressable franchise commitment, and I think that it's a commitment we have lived up to. And now in 1987, going forward, we'll be making it available on a 100 percent basis, even to our basic subscribers. So we're very deeply committed to it, and we're in a position on that capital expenditure that's already in place. So, from our applications viewpoint, the technology has been lagging behind the marketing ideas. Even right now we are finding delivery problems regarding the equipment. We've launched a service that has been tested on a limited basis but hadn't been tested on a widescale basis, but we have the confidence that we can make it work.

I think overall there is a cost of going addressable and operating an addressable system, but it's a manageable cost. It's a cost that's hard to identify exactly. But we found that our service call rates in an 80 percent addressable system are no higher than in some of our older properties. Maybe what it has really told us is that operating a system is more of a technical challenge and something we have to focus on even greater to offset some of the costs associated with addressability. ■

CABLE STATS

Cable services subscriber count

Satellite-fed national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	236	4,600,000
Alternate View Network	206	2,500,000
American Music & Entertainment Network	26	500,000
Arts & Entertainment (A&E)	2,200	19,700,000
Black Entertainment Television (BET)	590	14,000,000
Cable News Network (CNN)	9,386	33,100,000
Cable Value Network	20	200,000
C-SPAN	2,300	25,250,000
C-SPAN II	286	7,600,000
CBN Cable Network	7,260	32,338,000
CNN	7,215	35,834 000
Consumer Discount Network	NA	1,000,000
Country Music Television	438	6,200,000
The Discovery Channel	932	9,500,000
ESPN	13,878	36,900,000
Eternal Word Television Network (EWTN)	314	4,800,000
Financial News Network (FNN)	1,360	22,300,000
Headline News	2,222	29,760,000
Hit Video USA	41	1,700,000
Home Shopping Network	324	8,000,000
Innovations In Living (HSN2)	15	2,000,000
International Television Network	5	622,000
The Learning Channel	775	7,000,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	2,987	25,800,000
Music Television (MTV)	4,269	30,700,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	247	5,569,000
Nickelodeon	4,501	29,000,000
PTL The Inspirational Network	1,300	13,000,000
Rock Christian Network	9	886,000
Silent Network	206	6,800,000
SIN Television Network	383	33,673,300
TelShop	640	10,000,000
Tempo Television	640	12,500,000
Trinity Broadcasting Network	444	6,304,000
USA Network	6,500	33,000,000
Video Hits One	1,189	14,100,000
Video Shopping Mall	NA	NA
The Weather Channel	2,200	22,000,000
WGN-TV	8,825	21,376,000
WOR-TV	1,999	8,669,134
WPIX-TV	239	2,412,000
WTBS-TV	8,373	37,582,000

Pay services

American Movie Classics	270	1,000,000
Bravo	251	350,000
Cinemax	3,300	3,700,000
The Disney Channel	2,958	2,550,000
GalaVision	234	183,000
Home Box Office (HBO)	6,900	14,600,000
Home Theater Network (HTN)	350	300,000
The Movie Channel	3,250	3,250,000
The Nostalgia Channel	175	700,000
The Playboy Channel	580	732,000
Private Ticket	4	NA
Showtime	3,200	5,400,000

Audio services

Cable Radio Network	24	1,500,000
JazzAmerica	NA	NA
KKGO Super Jazz	11	98,521
Moody Bible Institute	70	923,102
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	161	1,259,000

Text services

AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	25	2,051,000
DBC/MarketWatch	50	NA
Electronic Program Guide (EPG)	282	5,581,000
EPG Jr.	71	69,873
Genesis Cable Storytime	26	1,033,000
Reuters News View	325	3,250,000
TV Decisions	145	5,450,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Basic services Affiliates Subscribers

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Fuji Network	5	11,044
Nippon Golden Network	5	11,044
Vector Consumer News	12	325,000
Vector Consumer Shopping Guide	15	407,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	150,000
Bay Area Religious Channel (BARC)	4	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	37	1,185,000
The Ecumenical Channel	7	148,000
KTVT	122	1,877,000
Life Newsvision	24	36,000
Madison Square Garden	68	2,000,000
Meadows Racing Network	14	446,000
MetroChannel	1	118,000
Prime Ticket	199	1,500,000
SportsVision (Chicago)	37	520,000
Texas Cable Network	15	646,000

Pay services

Dodgervision	44	935,000
Home Sports Entertainment — Houston Dallas	115	200,000
Home Team Sports	76	334,000
New England Sports Network	145	166,421
PRISM-Philadelphia	90	370,000
Pro-Am Sports	110	112,000
SportsChannel (New England)	110	228,900
SportsChannel (New York)	66	562,000
Z Channel	20	93,575

Announced services

Satellite-fed services	Expected Launch
America's Shopping Channel	4th Quarter 1986
American Catalog Shopper's Network	3/87
American Family Network	12/86
Apollo Entertainment Television	TBA
The Book Channel	TBA
Cable Shopper's Network (Jewelcor)	4th Quarter 1986
Comedy Television	4th Quarter 1986
Crazy Eddie World Of Home Entertainment Shopping Network	11/86
Discovery Computer Network	1987
Discovery Financial Network	1987
El Canal Musical	TBA
Ethnic Radio Networks	4th Quarter 1986
EventTelevision	1st Quarter 1987
International Business Network	1st Quarter 1987
Let's Go Shopping Network	4th Quarter 1986
Magicable	TBA
Movie Time	1/87
PreView Channel	1st Quarter 1987
The Preview Network	2/87
QVC Network	1/87
Sky Merchant	1/87
TWA Travel Channel	2/87
Tunnelvision	10/87
Video Shopping Center (Telstar)	1/87
World Travel Network	1st Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available.
TBA denotes to be announced.

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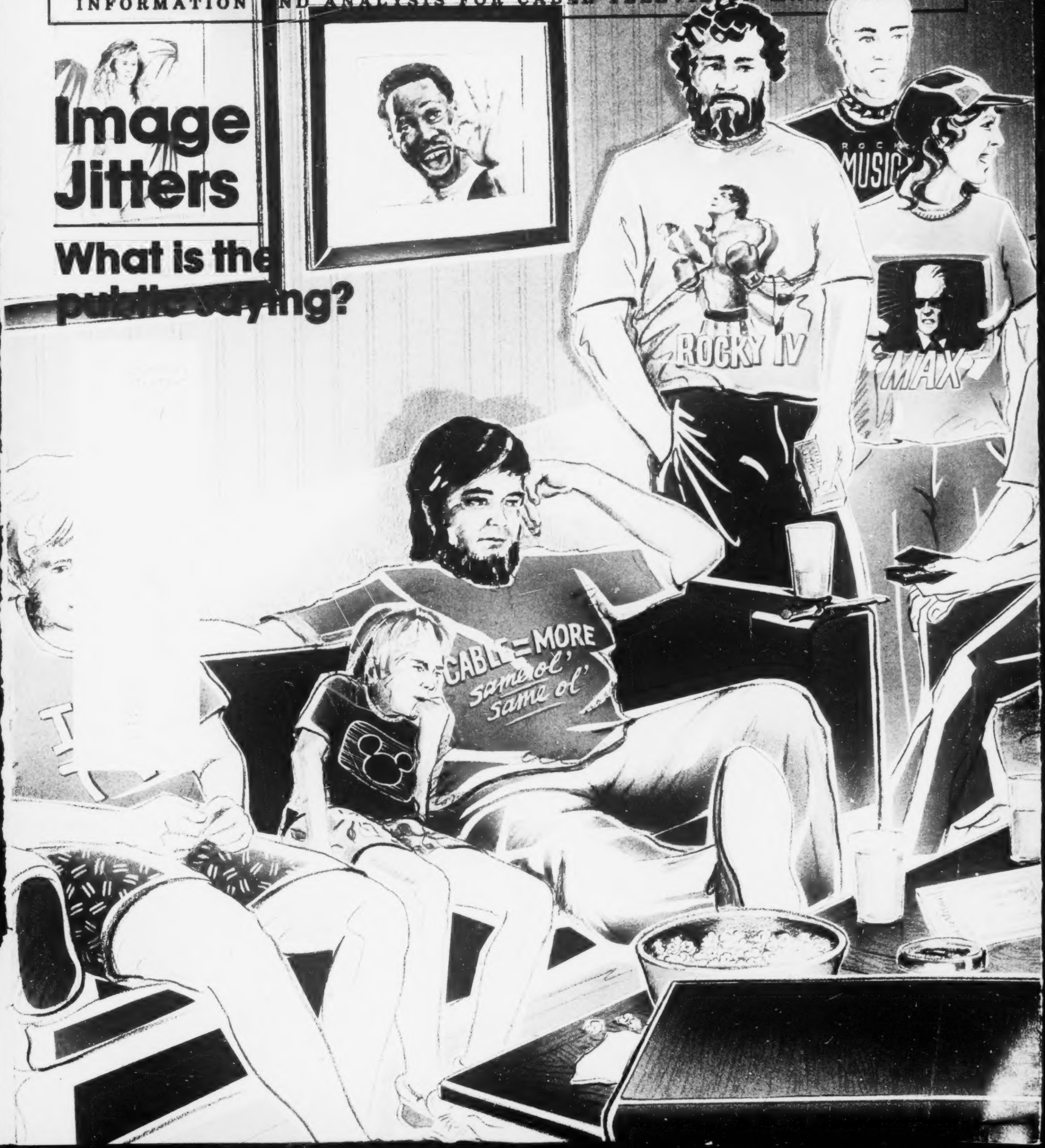
DECEMBER 1, 1986

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

Image Jitters

What is the public saying?


ROCK MUSIC
ROCKY IV
MAX
CABLE = MORE
same ol',
same ol'

CableVision

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CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Sibers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	71,137,000	41,971,000	47	26,022,000	30
1986E	87,800,000	68,121,000	39,510,000	45	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	86,304,000
Homes passed by cable (HP)	64,571,000
Percent of TVHH passed by cable	74.7%
Basic cable subs	36,120,000
Percent of TVHH with basic cable	41.8%
Percent of HP with basic cable	56.0%
Pay cable subs	21,672,000
Percent of TVHH with pay cable	25.1%
Percent of HP with pay cable	33.6%
Percent of basic subs with pay cable	60.0%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Eternal Word Television Network	12
Financial News Network	4
Genesis Storytime	8
HBO (West)	13
HSN2	2, 16
HTN	16
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
Reuter Monitor Service	18
Showtime (West)	10
Tempo Television	6
TV Decisions	24
Trinity Broadcasting Network	3
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
American Movie Classics	10
American Music & Entertainment Network	15
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Sports Entertainment	11
Home Team Sports	22
Innovations In Living (HSN2)	1
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
Alternate View Network	22
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
Keyfax National Teletext Magazine	18
Moody Broadcasting Network	3
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner.
Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc	3,778,621	(11/85)
2.	American Television and Communications Corp.	2,700,000	(12/85)
3.	Group W Cable	2,162,000	(10/85)
4.	Storer Cable Communications	1,536,000	(8/86)
5.	Cox Cable Communications	1,330,956	(8/86)
6.	Continental Cablevision	1,324,000	(10/86)
7.	Warner Cable Communications Inc.	1,202,807	(7/86)
*8.	Comcast	1,095,194	(8/86)
9.	United Cable	1,027,602	(7/86)
10.	Newhouse Broadcasting	972,377	(4/86)
11.	Heritage Communications Inc	957,650	(10/86)
12.	Viacom Cablevision	940,000	(11/86)
13.	Times Mirror Cable Television Inc.	835,057	(9/86)
14.	Jones Intercable	796,000	(11/86)
15.	UA Cablesystems Corp	740,358	(8/86)
16.	Sammons Communications Inc	708,609	(12/85)
17.	Cablevision Co	607,335	(8/86)
18.	Rogers Cablesystems Inc	534,241	(6/86)
19.	Telecable Corp	473,621	(9/86)
*20.	Daniels & Associates	449,156	(8/86)
21.	Prime Cable Corp	416,006	(9/86)
22.	American Cablesystems Corp.	401,264	(9/86)
23.	McCaw Communications	383,000	(7/86)
24.	Centel Cable	370,776	(9/86)
25.	Cable Vision Industries	367,700	(8/86)
26.	Century Communications Corp.	367,000	(8/86)
27.	Post-Newsweek	365,366	(10/86)
28.	Wometco Cable TV Inc.	355,870	(10/86)
29.	Scripps-Howard	345,427	(9/86)
30.	Falcon Cable	302,000	(6/86)
31.	Multimedia Cablevision	279,125	(9/86)
32.	TCA Group	278,404	(8/86)
33.	Colony Communications Inc	249,738	(9/86)
34.	Maclean Hunter Cable TV Ltd.	241,423	(9/86)
35.	Adelphia Communications	216,619	(9/86)
36.	Tele-Media	215,000	(7/86)
37.	Rifkin & Associates	200,000	(10/86)
38.	Service Electric Cable TV Inc	195,000	(7/86)
39.	TCI-Taft	181,945	(9/86)
40.	TKR Cable Co	181,000	(9/86)
41.	Communications Service Inc	179,000	(2/85)
42.	Western Communications	178,543	(10/86)
43.	Cablentertainment	171,564	(9/86)
44.	Sutton Capital Corp	166,561	(2/86)
45.	Adams-Russell Communications	154,000	(9/86)
46.	First Carolina Communications Inc	153,477	(10/86)
47.	Harte-Hanks Communications	146,813	(8/86)
48.	Greater Media	143,553	(9/86)
49.	Cencom Cable	142,863	(10/86)
50.	Lenfest Group	133,443	(8/86)
51.	Harron Communications	130,671	(9/86)
52.	Media General Inc	130,460	(10/86)
53.	Blade Communications	105,000	(7/86)
54.	Televents Inc.	124,411	(9/86)
55.	Harris Cable Corp	122,904	(8/86)
56.	Armstrong Utilities	121,509	(7/86)
57.	Palmer Communications	118,013	(7/86)
58.	The Essex Group	112,418	(9/86)
59.	Summit Communications	111,982	(8/86)
60.	Sonic Communications	110,000	(7/86)
61.	Scott Cable Communications	105,000	(3/86)
62.	U.S. Cable Corp	103,026	(8/86)
63.	Multi-Channel TV Cable Inc	101,874	(4/86)
64.	Simmons Communications	100,295	(10/86)
65.	Booth Communications	97,671	(7/86)
66.	King Videocable	91,953	(8/86)
67.	Perry Cable TV Corp	91,306	(8/86)
68.	McDonald Group	90,079	(8/84)
69.	Susquehanna Broadcasting	89,701	(10/86)
70.	WEHCO Video	85,807	(10/86)
71.	Northland Communications	85,250	(9/86)
72.	Columbia International	80,000	(11/86)
73.	Midcontinent Cable Systems Co.	79,790	(9/86)
74.	Marcus Communications	77,431	(8/86)
75.	Pencor Services	74,868	(8/86)
76.	Omega Communications	74,213	(11/86)
77.	James Communications	65,000	(9/86)
78.	Selkirk Communications	63,000	(11/86)
79.	National Telecommunications Corp	61,625	(1/86)
80.	The Daily Press	60,100	(6/86)
81.	Mountain Cable Co.	60,000	(10/86)
82.	Acton Corp.	56,337	(8/86)
83.	Helicon Corp.	55,000	(11/86)
84.	Masada Corp.	53,237	(7/86)
85.	Cardinal Communications	53,200	(7/86)
86.	United Video Management	52,816	(6/86)
87.	Tidel Communications	50,284	(9/86)
88.	Wisconsin Cablevision and Radio Co.	50,083	(7/86)
89.	Chambers Cable Comm. Inc	48,402	(8/86)
90.	State Cable TV	45,922	(3/86)
91.	Joseph Gans Cable TV	45,679	(6/86)
92.	C4 Media Corp.	45,200	(9/86)
93.	Dowden Communications	44,500	(10/86)
94.	Bresnan Communications Co.	44,426	(8/86)
95.	Enstar Communications	43,921	(10/86)
96.	New England Cablevision	43,050	(9/86)
97.	Donrey Cablevision	42,600	(11/86)
98.	Commonwealth Cable Systems	40,987	(10/86)
99.	North American Comm. Corp.	37,710	(6/86)
100.	Hearst Communications of California	37,016	(9/86)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217. * Includes portion of Group W subscribers.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	270,256	(8/86)
2.	Woodbury (Long Island), NY	Cablevision Co.	249,600	(8/86)
3.	Manhattan, NY	ATC	219,600	(12/85)
4.	San Antonio, TX	Rogers	199,359	(6/86)
5.	Houston, TX	Warner	192,557	(7/86)
6.	East Orange, NJ	Maclean Hunter	184,214	(9/86)
7.	Seattle/Snohomish, WA	Viacom	171,000	(11/86)
8.	Honolulu, HI	ATC	164,300	(12/85)
9.	Hartford/New Britain, CT	United Cable	153,570	(7/86)
10.	Cincinnati, OH	Warner	150,796	(7/86)
11.	Louisville/Jeff. Co., KY	Storer Communications	149,000	(9/86)
12.	Phoenix, AZ	Times Mirror	148,267	(9/86)
13.	Wayne, NJ	UA Cablesystems	147,815	(8/86)
14.	Tulsa, OK	United Cable	140,333	(6/86)
15.	Englewood, CO	United Cable	138,285	(8/86)
16.	Tidewater (Norfolk), VA	Cox Cable	135,076	(8/86)
17.	Cherry Hills, NJ	NYT	133,316	(5/86)
18.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
19.	Jacksonville, FL	Continental	128,000	(10/86)
20.	Atlanta, GA	Prime Cable Corp.	127,073	(9/86)
21.	Seattle, WA	Group W	127,000	(5/86)
22.	Buffalo, NY	Prime Cable Corp.	125,325	(9/86)
23.	Rochester, NY	ATC	123,500	(12/85)
24.	Baltimore County, MD	Comcast	121,981	(8/86)
25.	Erie County, NY	Prime Cable Corp.	119,002	(11/85)
26.	Manhattan, NY	Group W	115,000	(5/86)
27.	Kansas City, MO	ATC	114,600	(12/85)
28.	St. Louis Co., MO	Cencom Cable	111,487	(10/86)
29.	San Jose, CA	Gill Industries	110,000	(5/86)
30.	Long Island, NY	Viacom	110,000	(11/86)
31.	Austin, TX	ATC	109,700	(12/85)
32.	Central Islip (Long Island), NY	Viacom	109,000	(9/86)
33.	Memphis, TN	ATC	106,900	(12/85)
34.	San Juan, PR	Harris Cable Corp.	104,199	(8/86)
35.	Toledo, OH	Buckeye Cablevision	103,982	(4/86)
36.	Los Angeles, CA	Falcon	103,869	(4/86)
37.	San Francisco, CA	Viacom	103,000	(11/86)
38.	Richmond/Henrico, VA	Continental	98,000	(10/86)
39.	Jefferson Parish/Kenner, LA	Cox Cable	97,788	(8/86)
40.	Fairfax, VA	Media General	97,420	(2/86)
41.	Warren, NJ	TKR	97,348	(9/86)
42.	Southeast Michigan	Comcast	96,250	(8/86)
43.	Wilmington, DE	Heritage	93,000	(6/86)
44.	San Diego, CA	ATC	92,200	(12/85)
45.	Dallas, TX	Heritage	91,956	(10/86)
46.	Grand Rapids, MI	UA Cablesystems	89,163	(8/86)
47.	Pompano, FL	American Cablesystems	88,440	(4/86)
48.	Pittsburgh, PA	Tele-Communications Inc	84,517	(6/86)
49.	Escondido, CA	Times Mirror	84,380	(9/86)
50.	Dade/Broward, FL	Storer	84,000	(8/86)
51.	Wichita, KS	Multimedia Cablevision	83,729	(9/86)
52.	Jackson/Monroe, MS	ATC	82,500	(12/85)
53.	Indianapolis, IN	Indianapolis Cablevision Inc	80,969	(5/86)
54.	South Texas, TX	Heritage	79,688	(10/86)
55.	Charlotte, NC	ATC	78,700	(12/85)
56.	Clearwater, FL	Vision Cable	78,600	(7/85)
57.	Puget Sound, WA	Viacom	78,000	(9/86)
58.	Raleigh, N.C.	ATC	77,600	(12/85)
59.	Baton Rouge, LA	Cablevision Co.	76,518	(12/85)
60.	Tacoma, WA	Cable TV of Puget Sound	76,132	(5/86)
61.	Boston, MA	Cablevision	76,000	(8/86)
62.	New Orleans, LA	Cox Cable	75,162	(8/86)
63.	Chicago, IL	Group W	75,000	(4/86)
64.	Flint, MI	Comcast Cable	74,933	(8/86)
65.	Greensboro, N.C.	ATC	74,100	(12/85)
66.	Santa Monica, CA	Group W	74,000	(5/86)
67.	Nashville, TN	Viacom	72,000	(11/86)
68.	South Bend, IN	Heritage	71,887	(10/86)
69.	Las Vegas, NV	Prime	71,214	(9/86)
70.	Cleveland Heights, OH	Viacom	71,000	(11/86)
71.	Orange County, CA	Times Mirror	70,600	(9/86)
72.	Allentown, PA	Service Elec.	70,000	(7/86)
73.	Fayetteville, NC	ATC	69,000	(9/86)
74.	Akron, OH	Warner	67,428	(7/86)
75.	Omaha, NE	Cox Cable	67,409	(8/86)
76.	Medford Complex (Boston Suburbs), MA	Warner	67,017	(7/86)
77.	Columbus, OH	Warner	66,892	(7/85)
78.	Ocean County, NJ	Adelphia	66,051	(6/86)
79.	Little Rock, AR	Storer	66,000	(8/86)
80.	Des Moines, IA	Heritage	65,430	(10/86)
81.	St. Petersburg, FL	Group W	64,478	(5/86)
82.	Syracuse (suburbs), NY	NewChannels Corp.	64,065	(9/86)
83.	Indianapolis, IN	ATC	64,000	(12/85)
84.	Monterey, CA	Western Communications	63,731	(10/86)
85.	New Haven, CT	Storer	63,000	(8/86)
86.	Oklahoma City, OK	Cox Cable	62,788	(8/86)
87.	Madison, WI	Tele-Communications Inc.	62,099	(5/86)
88.	El Paso, TX	Group W	62,000	(9/86)
89.	Greater Bridgeport, CT	Cablevision Co.	61,620	(8/86)
90.	Santa Barbara, CA	Cox Cable	61,186	(8/86)
91.	Contra Costa Co. CA	Televents	61,000	(5/86)
92.	Sarasota, FL	Storer	61,000	(8/86)
93.	W. San Fernando Valley, CA	Valley Cable	60,866	(8/86)
94.	Lower Fairfield Co., CT	Cablevision Co.	60,650	(8/86)
95.	Westchester, CT	UA Cablesystems	60,494	(10/86)
96.	Winston-Salem, N.C.	Summit	60,481	(8/86)
97.	Mt. Prospect, IL	Cablenet	60,000	(3/85)
98.	Albany, GA	Storer	60,000	(8/86)
99.	Knoxville, TN	Scripps Howard	60,000	(11/86)
100.	Birmingham, AL	ATC	59,400	(12/84)

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CableVision

ATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

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COURT RULES EXCLUSIVE FRANCHISING ILLEGAL

TED TURNER WANTS ANOTHER CABLE NETWORK

FCC DEFENDS A/B SWITCH RULE

VIACOM UNDER TAKEOVER FIRE AGAIN

MMDS ROUNDUP FINDS MEDIUM GAINING STRENGTH

THE WESTERN SHOW: ACTION ON ALL FRONTS

CableTEK
CableTEK
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CableTEK
CableTEK
a CableTEK tradition
the 1987 Calendar
THE RIGHT CONNECTIONS
CABLE
CABLE VALUE NETWORK
ZAPPER

CableVision

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Exclusive franchising struck down 12
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Westinghouse reports survey results 64
OnTRAQ finds only 26 percent of survey respondents feel cable programming has improved over the past year.

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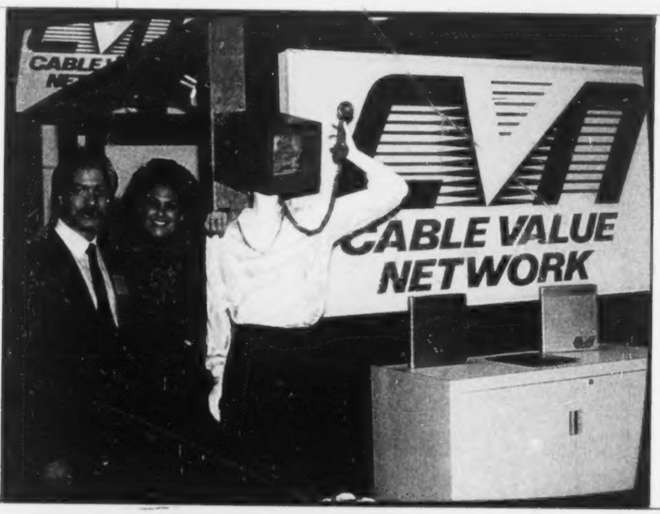

ON THE COVER

The California Cable Television Association's Western Show produced a heavy flow of major announcements as well as significant insight into industry thinking on key issues. Coverage begins in Front Line. Photos by Candace Drake.

Film product comparison-January

Film	Pay Networks					Distributor
Act of Vengeance	HBO*					Telepictures
After Hours					MAX	Warner Bros
After the Fall of New York			TMC			Almi
Agatha			TMC			Warner Bros.
Alamo Bay					MAX	Tri-Star
Alice's Adventures In Wonderland		ST				Muller Media
All Fall Down			TMC			MGM UA
Almost You	HBO		(TMC)			20th Century-Fox
American Flyers	(HBO)	(ST)	(TMC)	(HTN)	MAX	Warner Bros
Animals Are Beautiful People			TMC	(HTN)	MAX	Warner Bros.
Annihilaters, The					MAX	New World
Antarctica				HTN*	(MAX)	20th Century-Fox
Any Number Can Play		ST	(TMC)			MGM UA
Apology	HBO*					Peregrine
Assault on Precinct 13	HBO					Goldwyn
As Summers Die	HBO*					Telepictures
Auntie Mame	(HBO)		TMC*			Warner Bros
Aviator, The	(HBO)			HTN*	MAX	MGM UA
Badlanders, The		ST				MGM UA
Best Revenge					MAX	Lorimar
Bette Midler Divine Madness	HBO					Warner Bros
Beyond The Poseidon Adventure		ST	(TMC)		MAX*	Warner Bros
Bite the Bullet	HBO					Columbia
Black Moon Rising	HBO					New World
Blood Alley			TMC*		MAX	Warner Bros
Blood Ties		ST*				Showtime
Blow Out		(ST)	TMC		(MAX)	Orion
BMX Bandits			TMC			Transcon
Breakfast Club, The	HBO*	ST*	(TMC)		(MAX)	Universal
Breakthrough (1950)		ST				Warner Bros
Brief Encounter		ST	(TMC)			New Century
Camelot			(TMC)	HTN*		Warner Bros
Can't Stop the Music					MAX	AFD
Can You Hear The Laughter The Story of Freddie Prinze			TMC			Viacom
Captain Horatio Hornblower			TMC*		(MAX)	Warner Bros
Careful, He Might Hear You			(TMC)	HTN*		20th Century-Fox
Carson City					MAX	Warner Bros
Cat's Eye	(HBO)			HTN*		Warner Bros.
Cattle King		ST				MGM UA
Chorus Line, A: The Movie	HBO					Columbia
City Heat	(HBO)	ST	(TMC)	(HTN)	(MAX)	Warner Bros.
City Lights	(HBO)			HTN*		20th Century-Fox
Clan of the Cave Bear	HBO					Warner Bros.
Class of '44			TMC		MAX	Warner Bros
Clue		ST*				Paramount
Coca-Cola Kid, The	(HBO)		(TMC)		MAX*	Film Gallery
Code of Silence	(HBO)				MAX	Orion
Comfort & Joy	(HBO)			HTN*		Universal
Commando	(HBO)	(ST)	(TMC)		MAX*	20th Century-Fox
Compromising Positions		(ST)	TMC			Paramount
Continental Divide			(TMC)	HTN*	(MAX)	Universal
Creepshow	HBO*				(MAX)	Warner Bros.
Crisis		ST	(TMC)			MGM UA
Critters	HBO					New Line Cinema
Crossover					MAX	Simcom
Daffy Duck's Movie	(HBO)	(ST)			MAX	Warner Bros.
Dance With A Stranger			(TMC)		MAX	Goldwyn
D.A.R.Y.L.		(ST)	TMC			Paramount
Death Wish III		(ST)	TMC			Cannon
Diane					MAX	MGM UA
Dune	(HBO)	ST	(TMC)		(MAX)	Universal
Eddie & the Cruisers	HBO	ST			(MAX)	Embassy
Elephant Man, The		ST*			(MAX)	Paramount
Empire Strikes Back, The	(HBO)	(ST)	(TMC)	HTN*	(MAX)	20th Century-Fox
Endless Love		ST	TMC*			King Features
Excalibur		(ST)	TMC*		(MAX)	Warner Bros.
Explorers			TMC*			Paramount
Falcon & The Snowman, The	HBO				(MAX)	Orion
Final Justice	HBO				(MAX)	Simcom
Finian's Rainbow	(HBO)		(TMC)	HTN		Warner Bros
Firstborn		ST*	TMC			Paramount
Flamingo Kid, The	HBO*	(ST)	(TMC)	(HTN)	(MAX)	Universal
Flesh & Blood	HBO				(MAX)	Orion
Fleshburn					MAX	Crown
Frank & I					MAX*	Playboy
Fraternity Vacation	(HBO)				MAX	New World
French Lesson					MAX	Warner Bros
Friday the 13th A New Beginning			TMC			Paramount
Garbo Talks	HBO	(ST)	TMC*			MGM UA
Gentleman Tramp, The				HTN*		20th Century-Fox
Gimme An "F"	HBO*		(TMC)			20th Century-Fox
Glitterdome, The	HBO					Telepictures
Gold of Naples			TMC			Embassy
Gold Rush, The					MAX	20th Century-Fox
Good Guys & the Bad Guys, The				HTN	(MAX)	Warner
Gotcha!			TMC*	(HTN)	MAX*	Universal
Great Dictator, The			(TMC)	HTN*		20th Century-Fox
Great Muppet Caper, The	(HBO)				MAX	ITC
Gremlins	HBO*	(ST)	(TMC)		(MAX)	Warner Bros
Hair			TMC			MGM UA
Happy Hooker, The		ST				Cannon
Hard Choices			TMC		MAX	Lorimar
Harvey Middleman, Fireman					MAX	Columbia
Heaven's Gate			TMC			MGM UA
Head Office					MAX	Silver Screen
Hollywood Hot Tubs		ST*				Seymour Borde
Hollywood Knights, The	HBO				(MAX)	Columbia
Home From the Hill	HBO		TMC			MGM UA
Hotel				HTN		Warner Bros
Hundra			(TMC)		MAX	Goldfarb
I Am A Camera			TMC			New Century
Ice Pirates					MAX	MGM UA
I Confess			TMC		(MAX)	Warner Bros
Innocents Abroad			TMC	(HTN)		Transcon
Intermezzo				HTN*		ABC
Invasion USA		(ST)	TMC			Cannon
Iron Eagle	HBO					Tri-Star
Jazz Singer, The			TMC			Warner Bros
J. Edgar Hoover Power and Secrecy		ST				Showtime
Jewel of the Nile, The	HBO	ST	TMC		MAX	20th Century-Fox
Julius Caesar		ST				MGM UA
Just One of the Guys	(HBO)				MAX	Columbia
Kidco				HTN	(MAX)	20th Century-Fox
King David		(ST)	TMC			Paramount
King In New York, A				HTN*		20th Century-Fox
King of the Jungle				HTN*		Universal
Ladyhawke			TMC*		(MAX)	Warner Bros
Lady Jane		ST				Paramount
Last Time I Saw Paris, The			(TMC)		MAX	MGM UA
Last Tycoon, The			TMC*			Paramount
Little Drummer Girl, The	(HBO)	ST	TMC*		(MAX)	Warner Bros
Longshot, The	HBO	ST	TMC			Orion
Lost Horizon					MAX	Columbia
Lullaby of Broadway		ST				Warner Bros
M.A.D.D.	HBO*					Universal
Mad Max Beyond Thunderdome			TMC		(MAX)	Warner Bros.
Man Hunt					MAX	Goldwyn
Man In the Wilderness	(HBO)			HTN*		Warner Bros.
Man With One Red Shoe, The		(ST)	TMC		(MAX)	20th Century-Fox
Marie: A True Story		ST*				TBS
Mask	(HBO)	ST	(TMC)	(HTN)	(MAX)	Universal
Mass Appeal	(HBO)	ST	(TMC)			Universal
McCabe & Mrs. Miller			(TMC)		MAX	Warner Bros
The Mean Season	HBO					Orion
Mean Streets					MAX	Warner Bros.
Melody In Love					MAX*	Playboy
Member of the Wedding, The					MAX	Columbia
Mischief	HBO	ST	(TMC)			20th Century-Fox
Missing In Action II	(HBO)	ST	(TMC)		(MAX)	Cannon
Modern Times				HTN		20th Century-Fox
Molly and Me					MAX	20th Century-Fox

Film	Pay Networks					Distributor
Mommie Dearest	HBO	ST				Paramount
Mrs. Soffel				HTN*	MAX	MGM/UA
Murphy's Romance	HBO					Columbia
Murrow	HBO					Titus Productions
My Brilliant Career			TMC*			Worldvision
National Lampoon's European Vacation	HBO	(ST)	(TMC)		(MAX)	Warner Bros.
New Kids, The	HBO				(MAX)	Columbia
Nighthawks			TMC*		(MAX)	Universal
Nightmare on Elm Street	HBO		(TMC)		(MAX)	New Line Cinema
Nightmare on Elm Street Part II	HBO					New Line Cinema
Night Patrol	HBO*					New World
Nine Deaths of the Ninja			TMC			Crown
Notorious				HTN*		ABC
Octagon			TMC			Viacom
Odd Man Out			TMC			New Century
O'Hara's Wife	HBO					O'Hara
Oh, God! You Devil	(HBO)	(ST)	TMC	(HTN)	(MAX)	Warner Bros.
Old Maid, The					MAX	MGM/UA
Oliver Twist		(ST)	TMC			New Century
Once Bitten	HBO*		(TMC)			Goldwyn
One Night Only		ST			(MAX)	Film Gallery
One Potato, Two Potato			TMC*			Viacom
On the Right Track					MAX	20th Century-Fox
On the Town		ST	(TMC)			MGM/UA
Operation Pacific			TMC*		MAX	Warner Bros.
Outlaw Blues					MAX	Warner Bros.
Out of the Blue				HTN		Fox/Lorber
Pale Rider	HBO*	ST	TMC		(MAX)	Warner Bros.
Paradine Case, The				HTN		ABC
Park Is Mine, The	HBO					Astral Productions
Passage to India, A	(HBO)			HTN*		HBO
Pee Wee's Big Adventure	(HBO)	(ST)	(TMC)		MAX	Warner Bros.
Personal Best					MAX	Warner Bros.
Philadelphia Experiment, The	HBO			(HTN)	(MAX)	New World
Piano for Mrs. Cimino, A	(HBO)	ST				Viacom
Pirates of Tortuga			TMC			20th Century-Fox
Porky's Revenge	HBO*	(ST)	TMC			20th Century-Fox
Portrait of Jennie, A				HTN		ABC
Private Resort	HBO*					Tri-Star
Protector, The	(HBO)				MAX	Warner Bros.
Re-Animator	HBO					Vestron
Red Badge of Courage, The			TMC			MGM/UA
Reds	HBO	ST				Paramount
Richard Pryor.... Here and Now					MAX	Columbia
Right of Way	HBO					Karpf
Runaway Train		ST				Cannon
St. Elmo's Fire	HBO*				(MAX)	Columbia
Savage Harvest					MAX	Savage Harvest
Scarred		ST				Seymour Borde
Sea Gull, The				HTN*		Warner Bros.
Sesame Street Presents: Follow That Bird	HBO*	(ST)	(TMC)			Warner Bros.
Sex Through A Window					MAX	Ted Mann
Shaker Run	HBO*					Goldwyn
She			TMC		(MAX)	Muller Media
She Wore A Yellow Ribbon					MAX	RKO
She's Working Her Way Through College			TMC		(MAX)	Warner Bros.
Shogun Ninja		ST				Muller Media
Silverado	(HBO)				MAX*	Columbia
Silver City	HBO			HTN		Goldwyn
Sinful Davey			TMC*			MGM/UA
Slugger's Wife, The					MAX	Columbia
Sno-Line	HBO					Seymour Borde
Soldier of Orange			TMC*			Goldwyn
Sombrero			TMC			MGM/UA
SPFX: The Making of Empire				HTN*		20th Century-Fox
Spiral Staircase, The				HTN*	MAX	ABC
Split, The					MAX	MGM/UA
Stalking Moon, The			(TMC)	HTN*		Warner Bros.
Stand Alone	(HBO)				MAX	New World
Straight Time			TMC*			Warner Bros.
Stranger In The House					MAX	Warner Bros.
Street Hero					MAX	Fox/Lorber
Stripes	HBO*					Columbia
Summer of '42			TMC		MAX	Warner Bros.
Summer Rental		ST	(TMC)			Paramount
Superman		(ST)	TMC*		(MAX)	Warner Bros.
Sylvester					MAX	Columbia
Talk to Me	HBO			HTN*		Atlantic
Teachers	(HBO)	(ST)	TMC*		MAX	MGM/UA
Tender Mercies	HBO					Thorn-EMI
Test of Love, A				HTN*	(MAX)	Universal
That Forsythe Woman		(ST)			MAX	MGM/UA
That's Dancing				HTN*	MAX*	MGM/UA
That Was Then.... This Is Now		ST*				Paramount
Thief					MAX	MGM/UA
Thief of Hearts		ST*	TMC			Paramount
This Is Elvis	HBO		TMC			Warner Bros.
To Find My Son	HBO					Columbia
Tomboy					MAX	Crown
Too Scared to Scream	HBO		(TMC)		(MAX)	The Movie Store
Treasure Island			TMC			Warner Bros.
Troll	HBO					Vestron
Twice In A Lifetime		ST*				Roberts
Tuff Turf					MAX	New World
Turk 182!	(HBO)	(ST)	(TMC)		MAX*	20th Century-Fox
Untamed				HTN		Universal
Urgh! A Music War			TMC			Lorimar
View to a Kill, A	HBO			HTN*	(MAX)	MGM/UA
Vision Quest			TMC*		(MAX)	Warner Bros.
Warrior of the Lost World			TMC*			Muller Media
Watership Down	HBO					Nepenthe
Weird Science	HBO*	(ST)	(TMC)	HTN*	(MAX)	Universal
Where Do We Go From Here					MAX	20th Century-Fox
Where the Boys Are (1960)		ST	(TMC)		(MAX)	MGM/UA
Wildrose	HBO			(HTN)		Troma
Winter Flight			TMC*			Film Gallery
Woman of Paris, A				HTN		Universal
Year of the Dragon		(ST)	TMC			TBS
Young Lady Chatterley					MAX	Film Gallery
Young Lady Chatterley II		ST			MAX	Blum Group
Young Sherlock Holmes		ST				Paramount

Cable Network Legend:
HBO-Home Box Office
ST-Showtime
TMC-The Movie Channel
HTN-Home Box Office
MAX-Cinemax

Networks in parentheses indicate carriage in August, September, October, November and/or December.

An asterisk indicates the film is a carry-over from August, September, October, November and/or December.

In total, 256 films appear on the January schedules of Home Box Office, Showtime, The Movie Channel, Home Theater Network and Cinemax. Of those titles, during the last six months, seven have played on all five services, 13 have played on four of the five services, 24 have played on three, and 81 have played on two of the five services. One hundred and thirty-one titles on the January schedules of these five services were unduplicated in the last six months.

The motion picture distributor with the most titles on pay TV in January is Warner Bros. with 51, followed by MGM/UA with 28, 20th Century-Fox with 26, and Columbia and Paramount with 16 each.

Titles subject to change.

Cable services subscriber count

Satellite-fed national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	236	4,600,000
Alternate View Network	206	2,500,000
Arts & Entertainment (A&E)	2,200	19,700,000
Black Entertainment Television (BET)	717	11,400,000
Cable News Network (CNN)	9,386	33,100,000
Cable Value Network	500	10,000,000
C-SPAN	2,300	25,250,000
C-SPAN II	286	7,600,000
CBN Cable Network	7,318	32,338,000
CNN	7,215	35,834,000
Consumer Discount Network	NA	1,000,000
Country Music Television	438	6,200,000
The Discovery Channel	1,034	10,100,000
ESPN	14,260	38,500,000
Eternal Word Television Network (EWTN)	330	5,400,000
Financial News Network (FNN)	1,434	23,300,000
Headline News	2,222	29,760,000
Hit Video USA	41	1,700,000
Home Shopping Network	517	3,774,977
Innovations In Living (HSN2)	176	5,322,296
International Television Network	5	622,000
The Learning Channel	800	7,200,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,050	27,100,000
Music Television (MTV)	4,269	30,700,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	247	5,569,000
Nickelodeon	4,501	29,000,000
The Nostalgia Channel	350	300,000
PTL The Inspirational Network	1,300	13,000,000
Score	1,020	19,000,000
Rock Christian Network	9	886,000
Silent Network	206	6,800,000
SIN Television Network	383	33,673,000
TelShop	650	10,200,000
Tempo Television	640	12,500,000
Trinity Broadcasting Network	444	6,304,000
USA Network	6,500	33,000,000
Video Hits One	1,189	14,100,000
Video Shopping Mall	NA	NA
The Weather Channel	2,200	22,000,000
WGN-TV	8,825	21,376,000
WOR-TV	1,999	8,669,134
WPIX-TV	239	2,412,000
WTBS-TV	8,373	37,582,000

Pay services		
American Movie Classics	270	1,000,000
Bravo	251	350,000
Cinemax	3,300	3,700,000
The Disney Channel	2,958	2,550,000
GalaVision	234	183,000
Home Box Office (HBO)	6,900	14,600,000
Home Theater Network (HTN)	350	300,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	580	732,000
Showtime	3,200	5,400,000

Audio services		
Cable Radio Network	24	1,500,000
JazzAmerica	NA	NA
KKGO Super Jazz	11	98,521
Moody Bible Institute	70	923,102
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	161	1,259,000

Text services		
AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	25	2,051,000
DBC/MarketWatch	50	NA
Electronic Program Guide (EPG)	282	5,581,000
EPG Jr.	71	69,873
Genesis Cable Storytime	26	1,033,000
Reuters News View	325	3,250,000
TV Decisions	145	5,450,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Fuji Network	5	11,044
Nippon Golden Network	5	11,044
Vecter Consumer News	12	325,000
Vector Consumer Shopping Guide	15	407,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	150,000
Bay Area Religious Channel (BARC)	4	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	37	1,185,000
The Ecumenical Channel	7	148,000
KTVT	122	1,877,000
Life Newsvision	24	36,000
Madison Square Garden	77	1,900,000
Meadows Racing Network	14	446,000
MetroChannel	1	118,00
Prime Ticket	199	1,500,000
SportsVision (Chicago)	37	520,000
Texas Cable Network	15	646,000

Pay services		
Dodgervision	44	935,000
Home Sports Entertainment—Houston/Dallas	115	200,000
Home Team Sports	76	334,000
New England Sports Network	145	166,421
PRISM-Philadelphia	90	370,000
Pro-Am Sports	110	112,000
SportsChannel (New England)	110	228,900
SportsChannel (New York)	66	562,000
Z Channel	20	93,575

Announced services

Satellite-fed services	Expected launch
American Catalog Shopper's Network	3/87
Apollo Entertainment Television	TBA
The Book Channel	TBA
Comedy Television	1st Quarter 1987
Crazy Eddie World Of Home Entertainment Shopping Network	1st Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
El Canal Musical	TBA
Ethnic Radio Networks	1st Quarter 1987
EventTelevision	1st Quarter 1987
International Business Network	2nd Quarter 1987
International Cablecasting's Cable Radio Network	3rd Quarter 1987
Magicable	TBA
Movie Time	1/87
PreView Channel	4/87
The Preview Network	2/87
QVC Network	1/87
Sky Merchant	1/87
The Sweepstakes Channel	1/87
The Travel Channel	2/87
Tunnelvision	10/87
Video Shoppng Center (Telstar)	1/87
World Travel Network	1st Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available.
TBA denotes to be announced.

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JANUARY 5, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

NEW PRICING STRATEGY TAKING HOLD AMONG TOP MSO'S

NCTA CALLS FOR CAUTION ON CHANNEL REPOSITIONING

FNN CELEBRATES FIFTH YEAR WITH STRONG SHOWING

HIGHLIGHTS OF '86: A RETROSPECTIVE

WALL ST. REPORT CITES CABLE STRENGTH

INDUSTRY LEADERSHIP FORUM: THE DAWNING OF A NEW ERA

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Ten of the industry's top operators and programmers discuss the quality of cable programming, the merits of operator plans to support programming and the best approaches to pricing and packaging in this first part of a two-part compendium of interviews.

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The year just passed spawned a variety of major developments that, in the aggregate, set the stage for a new era in cable markedly different from the past.

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ON THE COVER

Participants in the Leadership Forum include 10 executives, one of whom, Charles Dolan, chairman of Cablevision Systems Development, is not shown. The others are, from top left to right, by rows: Ted Turner, chairman, Turner Broadcasting System; Bud Hostetter, chairman, Continental Cable; Michael Fuchs, chairman and CEO, HBO; John Malone, president, TCI; Terry Elkes, president and CEO, Viacom International; Bill Bresnan, chief executive, Bresnan Communications; John Cooke, president, The Disney Channel; Kay Koplovitz, president and CEO, USA Network; and Gus Hauser, chairman and CEO, Hauser Communications.

Pay Per View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

January

About Last Night (1/1) **Tri-Star**
MPAA Rating: R Running Time: 114 mins.
Cast: Rob Lowe, Demi Moore

Adventures of the American Rabbit (1/21) **Paramount**
MPAA Rating: G Running Time: 82 mins.
Cast: Animated

Big Trouble In Little China (1/1) **20th Century-Fox**
MPAA Rating : PG-13 Running Time: 99 mins.
Cast: Kurt Russell, Kim Cattrall

Extremities (1/21) **Paramount**
MPAA Rating: R Running Time: 90 mins.
Cast: Farrah Fawcett, James Russo, Alfre Woodard

Gobots: Battle of the Rock Wards (1/21) **Paramount**
MPAA Rating: G Running Time: 74 mins.
Cast: Animated

Howard the Duck (1/22) **Universal**
MPAA Rating: PG Running Time: 11 1 mins.
Cast: Lea Thompson, Jeffrey Jones

Indiana Jones and the Temple of Doom (1/1) **Paramount**
MPAA Rating: PG Running Time: 118 mins.
Cast: Harrison Ford, Kate Capshaw, Ke Huy Quan

Karate Kid Part II (1/29) **Columbia**
MPAA Rating: PG Running Time: 109 mins.
Cast: Ralph Macchio, Pat Morita

Miracles (1/11) **HBO Enterprises**
MPAA Rating: PG Running Time: 90 mins.
Cast: Tom Conti, Teri Garr, Christopher Lloyd

Out of Bounds (1/ 1) **Columbia**
MPAA Rating: R Running Time: 93 mins.
Cast: Anthony Michael Hall

Under the Cherry Moon (1/5) **Warner Bros.**
MPAA Rating: PG-13 Running Time: 100 mins.
Cast: Prince

Water (1/21) **Paramount**
MPAA Rating: PG-13 Running Time: 89 mins.
Cast: Michael Caine, Brenda Vaccaro, Valerie Perrine

February

Source

Armed and Dangerous (2/1) **Columbia**
MPAA Rating: PG-13 Running Time: 88 mins.
Cast: John Candy, Eugene Levy, Robert Loge

Back to School (2/1) **Orion**
MPAA Rating: PG-13 Running Time: 96 mins.
Cast: Rodney Dangerfield, Sally Kellerman, Burt Young

A Fine Mess (2/1) **Columbia**
MPAA Rating: PG-13 Running Time: 90 mins.
Cast: Ted Danson, Howie Mandel.

Friday the 13th: Part 6 (2/11) **Paramount**
MPAA Rating: R Running Time: 87 mins.
Cast: Thom Mathews, Jennifer Cooke, David Kagan

Heartburn (2/11) **Paramount**
MPAA Rating: R Running Time: 108 mins.
Cast: Meryl Streep, Jack Nicholson

Not Quite Paradise (2/26) **HBO Enterprises**
MPAA Rating: R Running Time: 114 mins.
Cast: Sam Robards, Joanna Pacula.

Psycho III (2/5) **Universal**
MPAA Rating: R Running Time: 93 mins.
Cast: Anthony Perkins

Reform School Girls (2/26) **HBO Enterprises**
MPAA Rating: R Running Time: 88 mins.
Cast: Wendy Williams, Sybil Danning

Running Scared (2/15) **MGM/UA**
MPAA Rating: R Running Time: 106 mins.
Cast: Billy Crystal, Gregory Hines.

Note: Running times are approximate.

Film information provided to International Thomson Communications Inc. by distributors.
NR indicates film not rated by MPAA.

Pay Per View Services Profile

Service:	**Cable Video Store**	**Request Television**	**Telstar Channels**	**Viewer's Choice**
Launch:	April 1,1986	November 27, 1985	June 5, 1986	November 26, 1985
Delivery:	Satcom 4, transponder 16	Galaxy 1, transponder 12	Interrum Standalone, presently testing on Telstar 303	VC-1 Satcom 3R, transponder 5 VC-2 Galaxy 1, transponder 16
Encryption:	VideoCipher II	VideoCipher II	Presently testing G. I. Starloc IV	VideoCipher II
Programming:	All movies, 24 hours per day 50-60 titles per month.	Two to four major motion pictures per week. special events	Channels 1&2: two major motion pictures on a biweekly rotation. Channel 3: three major motion pictures per week, special events	One major motion pictures per week special events
Subscribers:	Field trial basis; currently serving 10 MSO's nationwide. (2,500+ Impulse addressable subscribers)	Available in systems serving 2 million subs (1.4 million addressable)	Available in systems serving 74,000 subs (11,500 addressable).	Available in systems serving 2 million subs (1.6 million addressable)

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	71,137,000	41,971,000	47	26,022,000	30
1986E	87,800,000	68,121,000	39,510,000	45	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH

Cable barometer

Television households (TVHH)	86,304,000
Homes passed by cable (HP)	64,571,000
Percent of TVHH passed by cable	74.7%
Basic cable subs	36,120,000
Percent of TVHH with basic cable	41.8%
Percent of HP with basic cable	56.0%
Pay cable subs	21,672,000
Percent of TVHH with pay cable	25.1%
Percent of HP with pay cable	33.6%
Percent of basic subs with pay cable	60.0%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Eternal Word Television Network	12
Financial News Network	4
rytime	8
HBO (West)	13
HSN2	2, 16
HTN	16
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
Reuter Monitor Service	18
Showtime (West)	10
Tempo Television	6
TV Decisions	24
Trinity Broadcasting Network	3
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Sports Entertainment	11
Home Team Sports	22
Innovations In Living (HSN2)	1
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
Keyfax National Teletext Magazine	18
Moody Broadcasting Network	3
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner.
Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc	3,900,000	(12/85)
*2.	American Television and Communications Corp	3,200,000	(11/86)
3.	Storer Cable Communications	1,537,000	(11/86)
4.	Cox Cable Communications	1,352,534	(11/86)
5.	Continental Cablevision	1,339,000	(10/86)
6.	Warner Cable Communications Inc	1,293,000	(11/86)
*7.	Comcast	1,103,145	(9/86)
8.	United Cable	1,027,602	(7/86)
9.	Newhouse Broadcasting	1,002,340	(11/86)
10.	Heritage Communications Inc	957,650	(10/86)
11.	Viacom Cablevision	940,000	(11/86)
12.	Times Mirror Cable Television Inc	836,077	(11/86)
13.	Jones Intercable	796,000	(11/86)
14.	UA Cablesystems Corp	753,363	(11/86)
15.	Sammons Communications Inc	708,609	(12/85)
16.	Cablevision Systems Corp	619,500	(11/86)
17.	Rogers Cablesystems Inc	555,589	(10/86)
18.	Telecable Corp	489,437	(11/86)
*19.	Daniels & Associates	452,825	(9/86)
20.	McCaw Communications	416,545	(10/86)
21.	American Cablesystems Corp	408,097	(10/86)
22.	Centel Cable	384,825	(10/86)
23.	Cable Vision Industries	367,709	(8/86)
24.	Century Communications Corp	367,000	(8/86)
25.	Post-Newsweek	365,366	(10/86)
26.	Wometco Cable TV Inc	355,870	(10/86)
27.	Scripps-Howard	349,155	(10/86)
28.	Falcon Cable	379,000	(12/86)
29.	Adelphia Communications	346,707	(12/86)
30.	TCA Group	294,702	(8/86)
31.	Multimedia Cablevision	293,704	(12/86)
32.	Prime Cable Corp	272,843	(11/86)
33.	Colony Communications Inc	253,263	(11/86)
34.	Maclean Hunter Cable TV Ltd	242,593	(10/86)
35.	Lenfest Group	216,605	(10/86)
36.	Tele-Media	215,000	(7/86)
37.	Rifkin & Associates	200,000	(10/86)
38.	Service Electric Cable TV Inc	195,000	(7/86)
39.	TKR Cable Co	184,595	(11/86)
40.	TCI-Taft	180,330	(11/86)
41.	Communications Service Inc	179,000	(2/85)
42.	Western Communications	178,543	(10/86)
43.	Cablentertainment	173,145	(10/86)
44.	Sutton Capital Corp	166,561	(2/86)
45.	Adams-Russell Communications	154,000	(9/86)
46.	First Carolina Communications Inc	153,477	(10/86)
47.	Harte-Hanks Communications	146,813	(8/85)
48.	Greater Media	146,409	(12/86)
49.	Cencom Cable	142,863	(10/86)
50.	Media General Inc	136,200	(11/86)
51.	Marcus Communications	133,711	(12/86)
52.	Palmer Communications	132,765	(10/86)
53.	Harron Communications	130,671	(9/86)
54.	Televents Inc	128,734	(11/86)
55.	Harris Cable Corp	123,920	(11/86)
56.	Armstrong Utilities	121,509	(7/86)
57.	Summit Communications	115,405	(11/86)
58.	The Essex Group	112,418	(9/86)
59.	Sonic Communications	110,000	(7/86)
60.	Blade Communications	105,000	(7/86)
61.	Scott Cable Communications	105,000	(3/86)
62.	U.S. Cable Corp.	103,599	(10/86)
63.	Booth Communications	102,825	(11/86)
64.	Multi-Channel TV Cable Inc	101,874	(4/86)
65.	Simmons Communications	100,295	(10/86)
66.	James Communications	95,000	(12/86)
67.	King Videocable	94,327	(11/86)
68.	Perry Cable TV Corp.	91,306	(8/86)
69.	McDonald Group	90,079	(8/84)
70.	Susquehanna Broadcasting	89,701	(10/86)
71.	WEHCO Video	85,807	(10/86)
72.	Northland Communications	85,250	(9/86)
73.	Columbia International	80,000	(11/86)
74.	Midcontinent Cable Systems Co.	79,821	(12/86)
75.	Pencor Services	74,868	(8/86)
76.	Omega Communications	74,213	(11/86)
77.	Selkirk Communications	63,000	(11/86)
78.	National Telecommunications Corp.	61,625	(1/86)
79.	The Daily Press	60,100	(6/86)
80.	Mountain Cable Co.	60,000	(10/86)
81.	United Video Management	59,448	(10/86)
82.	Acton Corp.	56,337	(8/86)
83.	Helicon Corp.	55,000	(11/86)
84.	Masada Corp.	53,237	(7/86)
85.	Cardinal Communications	52,419	(10/86)
86.	Tidel Communications	50,284	(9/86)
87.	Wisconsin Cablevision and Radio Co.	50,083	(7/86)
88.	Chambers Cable Comm. Inc.	48,402	(8/86)
89.	State Cable TV	47,933	(11/86)
90.	Joseph Gans Cable TV	46,532	(11/86)
91.	C4 Media Corp.	45,200	(9/86)
92.	Dowden Communications	44,500	(10/86)
93.	Bresnan Communications Co.	44,426	(8/86)
94.	Enstar Communications	43,579	(11/86)
95.	New England Cablevision	43,050	(9/86)
96.	Donrey Cablevision	42,600	(11/86)
97.	Commonwealth Cable Systems	40,987	(10/86)
98.	North American Comm. Corp.	37,710	(6/86)
99.	Hearst Communications of California	37,016	(9/86)
100.	Benchmark Communications Inc.	35,000	(9/86)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217. * Includes portion of Group W subscribers.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	272,304	(11/86)
2.	Woodbury (Long Island), NY	Cablevision Co	252,400	(11/86)
3.	Manhattan, NY	ATC	219,600	(12/85)
4.	San Antonio, TX	Rogers	198,736	(11/86)
5.	Houston, TX	Warner	189,900	(11/86)
6.	East Orange, NJ	Maclean Hunter	184,841	(10/86)
7.	Seattle/Snohomish, WA	Viacom	171,000	(11/86)
8.	Honolulu, HI	ATC	164,300	(12/85)
9.	Louisville/Jeff. Co., KY	Storer Communications	155,000	(11/86)
10.	Hartford/New Britain, CT	United Cable	153,570	(7/86)
11.	Cincinnati, OH	Warner	153,100	(11/86)
12.	Phoenix, AZ	Times Mirror	152,214	(11/86)
13.	Wayne, NJ	UA Cablesystems	149,685	(11/86)
14.	Tulsa, OK	United Cable	140,333	(6/86)
15.	Englewood, CO	United Cable	138,285	(8/86)
16.	Tidewater (Norfolk), VA	Cox Cable	137,629	(8/86)
17.	Cherry Hills, NJ	NYT	133,316	(5/86)
18.	Buffalo, NY	Adelphia Communications	132,209	(12/86)
19.	Atlanta, GA	Prime Cable Corp	132,133	(11/86)
20.	Jacksonville, FL	Continental	129,500	(10/86)
21.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
22.	Seattle, WA	Group W (TCI)	127,000	(5/86)
23.	Fairfax, VA	Media General	125,991	(11/86)
24.	Rochester, NY	ATC	123,500	(12/85)
25.	Baltimore County, MD	Comcast	122,730	(9/86)
26.	Erie County, NY	Prime Cable Corp	119,002	(11/85)
27.	Manhattan, NY	Group W (ATC)	115,000	(5/86)
28.	Kansas City, MO	ATC	114,600	(12/85)
29.	St. Louis Co., MO	Cencom Cable	111,487	(10/86)
30.	San Jose, CA	Gill Industries	110,000	(5/86)
31.	Long Island, NY	Viacom	110,000	(11/86)
32.	Austin, TX	ATC	109,700	(12/85)
33.	Central Islip (Long Island), NY	Viacom	109,000	(9/86)
34.	Memphis, TN	ATC	106,900	(12/85)
35.	San Juan, PR	Harris Cable Corp	104,823	(11/86)
36.	Richmond/Henrico, VA	Continental	104,000	(10/86)
37.	Toledo, OH	Blade Communications	103,982	(4/86)
38.	Los Angeles, CA	Falcon	103,869	(4/86)
39.	San Francisco, CA	Viacom	103,000	(11/86)
40.	Warren, NJ	TKR	99,379	(11/86)
41.	Jefferson Parish/Kenner, LA	Cox Cable	96,886	(11/86)
42.	Southeast Michigan	Comcast	96,454	(9/86)
43.	Pinellas County, FL	Vision Cable	93,556	(12/86)
44.	Pompano, FL	American Cablesystems	93,108	(10/86)
45.	Wilmington, DE	Heritage	93,000	(6/86)
46.	San Diego, CA	ATC	92,200	(12/85)
47.	Dallas, TX	Heritage	91,956	(10/86)
48.	Grand Rapids, MI	UA Cablesystems	91,480	(11/86)
49.	Dade/Broward, FL	Storer	87,573	(11/86)
50.	Escondido, CA	Times Mirror	85,678	(9/86)
51.	Pittsburgh, PA	Tele-Communications Inc	84,517	(6/86)
52.	Jackson/Monroe, MS	ATC	82,500	(12/85)
53.	Wichita, KS	Multimedia Cablevision	82,172	(12/86)
54.	Indianapolis, IN	Indianapolis Cablevision Inc	80,969	(5/86)
55.	South Texas, TX	Heritage	79,688	(10/86)
56.	Charlotte, NC	ATC	78,700	(12/85)
57.	Boston, MA	Cablevision	78,500	(11/86)
58.	Flint, MI	Comcast Cable	78,349	(9/86)
59.	Puget Sound, WA	Viacom	78,000	(9/86)
60.	Raleigh, NC	ATC	77,600	(12/85)
61.	Baton Rouge, LA	Cablevision	76,663	(9/86)
62.	Tacoma, WA	Cable TV of Puget Sound	76,132	(5/86)
63.	Chicago, IL	Group W	75,000	(4/86)
64.	New Orleans, LA	Cox Cable	74,579	(11/86)
65.	Greensboro, NC	ATC	74,100	(12/85)
66.	Santa Monica, CA	Group W (Century)	74,000	(5/86)
67.	Las Vegas, NV	Prime	72,293	(11/86)
68.	Orange County, CA	Times Mirror	72,124	(9/86)
69.	Nashville, TN	Viacom	72,000	(11/86)
70.	South Bend, IN	Heritage	71,887	(10/86)
71.	Cleveland Heights, OH	Viacom	71,000	(11/86)
72.	Contra Costa Co. CA	Televents	70,665	(11/86)
73.	Allentown, PA	Service Elec.	70,000	(7/86)
74.	Akron, OH	Warner	69,055	(11/86)
75.	Fayetteville, NC	ATC	69,000	(9/86)
76.	New Haven, CT	Storer	69,541	(11/86)
77.	Columbus, OH	Warner	68,900	(11/86)
78.	Little Rock, AR	Storer	68,372	(11/86)
79.	Omaha, NE	Cox Cable	67,613	(11/86)
80.	Medford Complex (Boston Suburbs), MA	Warner	67,400	(11/86)
81.	Ocean County, NJ	Adelphia	66,051	(6/86)
82.	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
83.	Des Moines, IA	Heritage	65,430	(10/86)
84.	St. Petersburg, FL	Group W (ATC)	64,478	(5/86)
85.	Syracuse (suburbs), NY	NewChannels Corp.	64,065	(9/86)
86.	Indianapolis,IN	ATC	64,000	(12/85)
87.	Greater Bridgeport, CT	Cablevision Co.	63,800	(11/86)
88.	Monterey, CA	Western Communications	63,731	(10/86)
89.	Sarasota, FL	Storer	63,236	(11/86)
90.	Oklahoma City, OK	Cox Cable	63,075	(11/86)
91.	Santa Barbara, CA	Cox Cable	62,456	(11/86)
92.	Lower Fairfield Co., CT	Cablevision Co.	62,360	(11/86)
93.	Winston-Salem,NC	Summit	62,238	(11/86)
94.	Madison, WI	Tele-Communications Inc.	62,099	(5/86)
95.	El Paso, TX	Group W (ATC)	62,000	(9/86)
96.	Charleston, S.C.	Storer	61,626	(11/86)
97.	Albany, GA	Storer	60,964	(11/86)
98.	W. San Fernando Valley, CA	Valley Cable	60,866	(8/86)
99.	Westchester, CT	UA Cablesystems	60,494	(10/86)
100.	Knoxville, TN	Scripps Howard	60,000	(11/86)

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JANUARY 19, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

FCC SEEN UNLIKELY TO UNDO MUST-CARRY, DESPITE STAY

CABLE NETS NOW A FORCE TO BE RECKONED WITH AT NATPE

LEADERSHIP FORUM, PART II: RAISING PENETRATION

EARLY PEOPLE METER RESULTS RAISE RED FLAG FOR CABLE

FUTURISTS STILL STRONG ON CABLE, DESPITE ALTERED VISIONS

WORKING ON THE NEXT DECADE: WTBS STOKES PROGRAMMING PUSH

CableVision

FRONTLINE

Must-carry uncertainties 12
The FCC's stay of its must-carry order doesn't necessarily portend major retrenchments, insiders say, as the commission remains firmly split, 3-2, on the issue, in favor of the order.

TCI shifts U-A strategy 12
Tax considerations and other matters persuade Tele-Communications Inc., the new 55 percent owner of United Artists Communications, to keep the company separate under the leadership of John Malone and Stewart Blair.

Shopping NATPE 16
Cable programmers' appetite for product has made them a force to reckon with as the National Association of Program Executives' annual convention gets underway in New Orleans.

INTV potshots 18
Cable bashing takes center stage at the Independent Television Association's Los Angeles convention, with speakers claiming cable wants to have its cake and eat it too on First Amendment

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PROGRAMMING

The state of the Superchannel 23
On the eve of his network's 10th anniversary, WTBS Board Chairman Ted Turner sat down with *CableVision* to discuss his plans. Saddled with debt from the MGM purchase, Turner is nonetheless looking for another outlet for his wealth of programming.

FORUM

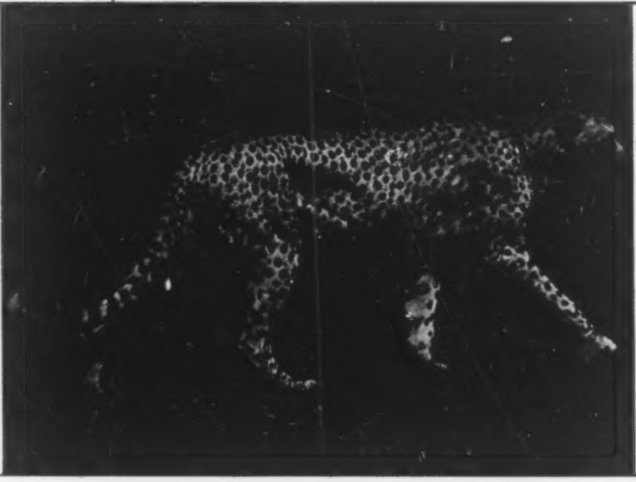
Penetrating the future 30
In this second half of our Leadership Forum, 10 distinguished operators and programmers discuss cable's penetration potential, focusing on marketing and pay-per-view as a means of achieving it.

ADVERTISING

Mass-metering 42
People meters may not allieviate cable network dissatisfaction with audience measurment standards, as some had hoped. So far, numbers from the meters in limited testing indicate cable may do no better than with diary samplings, prompting the CAB's Jack Hill to urge postponement of exclusive meter use.

BUSINESS

The think tank perspective on cable's promise 46
The dreams that drove the cable industry during the last 20 years have not dissolved, but they have changed. Futurists now believe cable's long-term role may remain focused on entertainment, with business information remaining the purview of the telcos.



COVER STORY

WTBS in full stride 22
The tiny Atlanta UHF channel of 10 years ago has not lost its edge as it gained prominence in cable, maintaining an aggressive programming stragegy that has resulted in many of the industry's top ratings, personalities and profits.

Film product comparison-February

Film	Pay Networks					Distributor
Actress, The				DIS		MGM/UA
Agnes of God	(HBO)				MAX	Columbia
Altered States			TMC			Warner Bros
Ambasador, The					MAX	Cannon
American Dreamer	HBO				(MAX)	CBS
Angel Wore Red, The		ST*				MGM/UA
Antarctica			TMC*			20th Century-Fox
Ask Any Girl			TMC			MGM/UA
Assault on Precinct 13	(HBO)		TMC			Goldwyn
Asterix the Gaul				DIS		Gaumont
Atlantic City	HBO		TMC			Paramount
Avanti!			TMC			MGM/UA
Avenging Angel	(HBO)				MAX	New World
Baby: Secret of the Lost Legend	(HBO)	(ST)	TMC		(MAX)	Disney
Badlanders, The		(ST)		DIS	MAX	MGM/UA
Bad Medecine	(HBO)		(TMC)		MAX	20th Century-Fox
Ballad of Cable Hogue, The			TMC		(MAX)	Warner Bros
Bandit of Sherwood Forest, The				DIS		Columbia
Beau Brummel				DIS		MGM/UA
Becket			TMC*			Maljack
Best of Times	HBO	ST	TMC			Universal
Best Revenge	(HBO)		TMC*		(MAX)	Lorimar
Better Off Dead	HBO				(MAX)	Warner Bros
Beyond the Forest		ST				MGM/UA
Beyond the Walls			TMC			Warner Bros
Big Leaguer			TMC			MGM/UA
Big Wednesday					MAX	Warner Bros
Billion for Boris, A				DIS		Film Gallery
Black Narcissus			TMC*			New Century
Body Rock	HBO					New World
Bolero					MAX	Cannon
Born Free				DIS	(MAX)	Columbia
Boy in Blue, The			TMC	DIS		20th Century-Fox
Brighty of the Grand Canyon				DIS		Acama Films
Bristle Face				DIS		Disney
Call Me Mister				DIS		20th Century-Fox
Carson City			TMC		(MAX)	Warner Bros
Casey's Shadow	HBO					Columbia
Casino Royale					MAX	Columbia
Catherine the Great				DIS		Goldwyn
Cat's Eye	(HBO)				MAX*	MGM/UA
Cease Fire	(HBO)		TMC*			Southbrook
Charge at Feather River, The		TMC			MAX	Warner Bros
Chariots of Fire	HBO				(MAX)	Warner Bros.
Charlie Chan & the Curse of the Dragon Queen	HBO*					American
Choose Me	(HBO)	ST	(TMC)			Lorimar
C.H.U.D	HBO	ST			(MAX)	New World
City Lights	(HBO)				MAX	20th Century-Fox
Cloud Waltzing		ST				Showtime
Coca-Cola Kid, The			TMC		(MAX)	Film Gallery
Come Fill the Cup		ST			(MAX)	Warner Bros.
Commando		ST			(MAX)	20th Century-Fox
Company of Wolves, The		(ST)	TMC			Cannon
Corn Is Green, The			TMC			Warner Bros.
Cotton Club, The	(HBO)		TMC		(MAX)	Orion
Creator			(TMC)		MAX*	Universal
Creature	HBO		(TMC)		(MAX)	Goldwyn
Crossover Dreams			TMC*			Miramax
Daffy Duck's Movie	(HBO)	ST*			(MAX)	Warner Bros.
Delivery Boys	HBO					New World
Delta Force, The		ST				Cannon
Desperately Seeking Susan	HBO*				(MAX)	Orion
Dot and the Koala				DIS		Cori Films
Dreamchild	HBO				(MAX)	Thorn-EMI
Duchess of Idaho		ST				MGM/UA
Dusty		ST	(TMC)			Castle Hill
Eddie & The Cruisers	(HBO)	(ST)	TMC		(MAX)	Embassy
Eleni	(HBO)				MAX	Warner Bros.
Elephant Man, The		(ST)	TMC		(MAX)	Paramount
Eliminators			TMC			DEG
Elvis: That's the Way It Is		(ST)	TMC			MGM/UA
Empire Strikes Back, The	(HBO)	(ST)	TMC*		(MAX)	Lucasfilm
Falling In Love		ST	TMC			Paramount
Fandango	(HBO)		TMC			Warner Bros.
Final Terror, The	HBO					Arkoff
Flash of Green, A	HBO					International
Fool For Love		ST				Cannon
Forever Young			TMC			Film Gallery
Fortress	HBO					Crawford
Fox, The					MAX	Cannon
Friendships, Secrets & Lies					MAX	Warner Bros
Fright Night	HBO				(MAX)	Columbia
From Here To Eternity					MAX*	Columbia
Funny Lady	HBO				(MAX)	Columbia
F/X	HBO	ST	TMC			Orion
Ghostbusters	(HBO)				MAX*	Columbia
Girl Next Door, The				DIS		20th Century-Fox
Gold of Naples, The			TMC*			DEG
Goodbye Cruel World			TMC*			Sharp Features
Goodbye Emmanuelle		ST				Miramax
Good Guys and the Bad Guys, The			TMC		(MAX)	Warner Bros.
Goonies, The	(HBO)				MAX*	Warner Bros.
Grace Quigley					MAX	Cannon
Great American Broadcast, The					MAX	20th Century-Fox
Great Caruso, The				DIS	(MAX)	MGM/UA
Gulliver's Travels				DIS		Miramax
Gung Ho		ST				Paramount
Gun Glory			TMC			MGM/UA
Hamlet			TMC			New World
Hanky Panky					MAX	Columbia
Happy Birthday to Me					MAX	Columbia
Happy Hooker, The		ST*				Cannon
Heartland		(ST)	TMC	DIS		Goldwyn
High Anxiety			(TMC)		MAX	20th Century-Fox
Highest Honor, The	HBO				(MAX)	New World
Hitcher, The					MAX	Silver Screen
Hog Wild					MAX	Mutual
Holcroft Covenant, The	(HBO)				MAX	Thorn-EMI
Hollywood Hot Tubs		(ST)	TMC		MAX	Seymour Borde
Homestretch, The				DIS		20th Century-Fox
Hot Resort	(HBO)	ST*			(MAX)	Cannon
How To Be A Perfect Person in Just Three Days				DIS		Wonderworks
Hunchback of Notre Dame, The					MAX	Columbia
I Am A Camera			TMC*			New Century
Idolmaker, The			(TMC)		MAX	MGM/UA
Impulse		(ST)	TMC			Universal
Interrupted Melody				DIS	MAX	MGM/UA
Invisible Strangler			TMC			Seymour Borde
Irreconcilable Differences	(HBO)	ST	(TMC)		(MAX)	Warner Bros
Jagged Edge	(HBO)				MAX*	Columbia
Jaws		(ST)	TMC*		(MAX)	Universal
Jazz Singer, The		ST	(TMC)			Warner Bros
Jim Thorpe—All American			(TMC)		MAX*	Warner Bros
Johnny Dangerously	(HBO)		(TMC)		MAX	20th Century-Fox
Joshua Then and Now	HBO		(TMC)			20th Century-Fox
Just the Way You Are	HBO	ST	(TMC)		(MAX)	MGM/UA
Kids Who Knew Too Much, The				DIS		Disney
Killing Fields, The	HBO		(TMC)		(MAX)	Warner Bros.
Killing of Sister George, The			TMC			Viacom
King David		(ST)	TMC*			Paramount
Kiss Me Kate		ST				MGM/UA
Kiss Me, Stupid		ST	(TMC)			MGM/UA
Knights of the City					MAX	New World
La Balance			TMC*			Spectre Films
LadyHawke			(TMC)		MAX*	Warner Bros.
Law and Jake Wade, The			TMC			Warner Bros
Le Sex Shop					MAX	Castle Hill
Life on the Mississippi			TMC*			Transcon
Littlest Horse Thieves, The				DIS		Disney
Looker			(TMC)		MAX	Warner Bros.
Lost in America	(HBO)	(ST)			MAX*	Warner Bros.
Love is Better Than Ever		ST				MGM/UA
Lust in the Dust	HBO					New World
Macaroni		(ST)	TMC			Paramount
Mad Max Beyond Thunderdome	HBO		(TMC)		(MAX)	Warner Bros.

Film	Pay Networks					Distributor
Magnificent Dope, The			(TMC)	DIS	(MAX)	20th Century-Fox
Malibu Express		(ST)	TMC		(MAX)	W.P. Donnelly
Mambo			TMC			DEG
Man From Button Willow, A		ST				Les Haber
Manny's Orphans			TMC*			Castle Hill
Man With One Red Shoe, The	HBO		(TMC)		(MAX)	20th Century-Fox
Maria's Lovers	(HBO)		TMC			Cannon
Mass Appeal	(HBO)	(ST)	TMC			Universal
Maxie	HBO*				(MAX)	Orion
Million Dollar Duck, The				DIS		Disney
Missing in Action II	HBO	(ST)	(TMC)		(MAX)	Cannon
Mommie Dearest	(HBO)	ST*	TMC			Paramount
Morons From Outer Space	HBO				(MAX)	Thorn-EMI
Moving Violations	(HBO)		(TMC)		MAX	20th Century-Fox
Music Man, The			(TMC)		MAX	Warner Bros
My Blue Heaven				DIS	(MAX)	20th Century-Fox
My Chauffeur					MAX	Crown
My Science Project	(HBO)	(ST)	(TMC)		MAX	Disney
Nancy Goes to Rio			(TMC)	DIS		MGM/UA
Nighthawks	HBO	ST	(TMC)		(MAX)	Universal
Nightmare on Elm Street, A	(HBO)		TMC		(MAX)	New Line
Night of the Comet	HBO	ST	(TMC)		(MAX)	Atlantic
9½ Weeks		ST				TBS
Ninja Wars		(ST)	TMC			Muller Media
Obsession					MAX*	Columbia
Oklahoma City Dolls, The	HBO*					Columbia
Out of Africa	HBO	ST	TMC		MAX	Universal
Out of Control					MAX*	New World
Pagan Love Song			TMC			MGM/UA
Parting Glances			TMC			Cinecom
Passage to India, A	(HBO)				MAX	Thorn-EMI
Perfect	(HBO)				MAX	Columbia
Perils of Gwendoline, The			TMC*		MAX	Goldwyn
Police Academy II	(HBO)	ST*	(TMC)		(MAX)	Warner Bros
Prisoner of Shark Island				DIS		20th Century-Fox
Prizzi's Honor		ST			(MAX)	Universal
Professionals, The					MAX*	Columbia
Protocol	(HBO)	ST	TMC*		(MAX)	Warner Bros
Purple Rose of Cairo, The	HBO				(MAX)	Orion
Pursuit of D.B Cooper, The	HBO		TMC*			King Features
Quick and the Dead, The	HBO					J. Cates
Rainbow			TMC			Viacom
Raintree County	HBO	(ST)				MGM/UA
Rappin'					MAX	Cannon
Real Geniu	(HBO)				MAX*	Tri-Star
Red Badge of Courage, The			TMC*		MAX	MGM/UA
Rembrandt				DIS		Goldwyn
Remo Williams: The Adventure Begins	(HBO)				MAX*	Orion
Return of the Living Dead	(HBO)				MAX	Hemdale
Richard Pryor Live In Concert			(TMC)		MAX*	Gary Biller
Ride Vaquero		ST				MGM/UA
The River	(HBO)	ST	(TMC)		(MAX)	Universal
Roller Boogie	HBO				(MAX)	CMF
Roots of Goofy, The				DIS		Disney
Rubber Tarzan			(TMC)	DIS		Janus Films
Ruling Class, The			TMC*			Embassy
Rustler's Rhapsody		(ST)	TMC			Paramount
Scarred		ST*				Seymour Borde
Screen Test					MAX	Farpoint
Secret Admirer	(HBO)				MAX	Orion
Shaggy Dog, The				DIS		Disney
She's Working Her Way Through College			TMC*		(MAX)	Warner Bros.
Silent Madness			TMC			Almi
Silent One, The				DIS		Satori
Silent Rage					MAX	Columbia
Silverado	HBO				(MAX)	Columbia
16 Days of Glory				DIS		Paramount
Smithereens			TMC*			Film Gallery
Something for the Birds				DIS		20th Century-Fox
Somewhere, Tomorrow				DIS		Film Gallery
South Pacific				DIS		Goldwyn
Star '80					MAX	Warner Bros.
Stick		ST*	(TMC)		(MAX)	Universal
Story of Will Rogers, The					MAX	Warner Bros.

Film	Pay Networks					Distributor
Strange Companions				DIS		Disney
Strange Lady in Town		(ST)	TMC			Warner Bros
Summer Rental		ST*				Paramount
Sunday Dinner for a Soldier					MAX	20th Century-Fox
Superman		(ST)	(TMC)		MAX*	Warner Bros
Sylvia					MAX	MGM/UA
Teen Wolf	(HBO)				MAX	Atlantic
Terminal Choice			TMC			Almi
Terminator, The	HBO*				(MAX)	Hemdale
Thief of Hearts		ST*	TMC*			Paramount
This Could Be the Night			TMC			MGM/UA
Thomasine and Bushrod					MAX	Columbia
Three Caballeros, The				DIS		Disney
3:15			TMC			RK Video
Threshold	HBO				(MAX)	20th Century-Fox
Thunder Alley	(HBO)		(TMC)		MAX	Cannon
Thunder in the Valley				DIS		20th Century-Fox
Tonka				DIS		Disney
Too Scared to Scream	(HBO)	ST	(TMC)		(MAX)	The Movie Store
Torch Song		ST				MGM/UA
Trancers			(TMC)		MAX*	Vestron
Trial, The			TMC			Viacom
Tribute					MAX	Kudos Film
Two Lovers		(ST)	TMC			MGM/UA
Unico in the Island of Magic				DIS		Sanrio
Uphill All the Way	HBO					New World
Ups and Downs		(ST)	TMC			David Armstrong
Up the Academy					MAX	Warner Bros
Vals, The					MAX	Simcom
Vanishing Wilderness	HBO					Pacific
Victory	HBO	(ST)	(TMC)		(MAX)	Lorimar
Volunteers	(HBO)				MAX	Columbia
Weird Science	(HBO)	(ST)	TMC*		(MAX)	Universal
Wetherby			TMC			MGM/UA
Where Do We Go From Here				DIS	(MAX)	20th Century-Fox
White Nights	HBO				(MAX)	Columbia
Wicked Lady, The			TMC			Viacom
Wildcats	HBO				MAX	Warner Bros
Windwalker				DIS		Pacific Int'l
Windy City	HBO					CBS
Woman of the River			TMC			DEG
Wonder of it All				DIS		Pacific Int'l
Xanadu			TMC*	DIS	MAX*	Universal
Yankee Doodle Dandy (colorized)					MAX	MGM/UA
Young Bess				DIS		MGM/UA
Youngblood	HBO					MGM/UA
Young Teacher, The				DIS		Londonderry
Young Warriors			TMC			Viacom
Zoo Gang, The	(HBO)				MAX	New World
Zulu Dawn					MAX	Zulu Dawn

Cable Network Legend:
HBO-Home Box Office
ST-Showtime
TMC-The Movie Channel
DIS-The Disney Channel
MAX-Cinemax

- Networks in parentheses indicate carriage in September, October, November, December and/or January.

- An asterisk indicates the film is a carry-over from September, October, November, December and/or January.

- In total, 274 films appear on the February schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 16 have played on four of the five services, 30 have played on three, and 86 have played on two of the five services. One hundred and forty-two titles on the February schedules of these five services were unduplicated in the last six months.

- The motion picture distributor with the most titles on pay TV in February is Warner Bros. with 35, followed by MGM/UA with 32, 20th Century-Fox and Columbia with 22 each, and Universal with 12.

- Titles subject to change.

CABLE STATS

Cable services subscriber count

Satellite-fed national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	236	4,600,000
Alternate View Network	206	2,500,000
Arts & Entertainment (A&E)	2,200	19,700,000
Black Entertainment Television (BET)	717	11,400,000
Cable News Network (CNN)	9,386	33,100,000
Cable Value Network	500	10,000,000
C-SPAN	2,300	25,250,000
C-SPAN II	286	7,600,000
CBN Cable Network	7,318	32,338,000
CNN	7,215	35,834,000
Consumer Discount Network	NA	1,000,000
Country Music Television	438	6,200,000
The Discovery Channel	1,034	10,100,000
ESPN	14,260	38,500,000
Eternal Word Television Network (EWTN)	334	6,100,000
Financial News Network (FNN)	1,434	23,300,000
Headline News	2,222	29,760,000
Hit Video USA	41	1,700,000
Home Shopping Network	517	9,774,977
Innovations In Living (HSN2)	176	5,322,296
International Television Network	5	622,000
The Learning Channel	800	7,200,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,050	27,100,000
Music Television (MTV)	4,269	30,700,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	247	5,569,000
Nickelodeon	4,501	29,000,000
The Nostalgia Channel	350	300,000
PTL The Inspirational Network	1,300	13,000,000
QVC Network	450	10,500,000
Score	1,020	19,000,000
Rock Christian Network	9	886,000
Silent Network	206	6,800,000
SIN Television Network	383	33,673,000
Sky Merchant	N/A	N/A
Sweepstakes Channel	N/A	N/A
TelShop	650	10,200,000
Tempo Television	640	12,500,000
Trinity Broadcasting Network	444	6,304,000
USA Network	6,500	33,000,000
Video Hits One	1,189	14,100,000
Video Shopping Mall	NA	NA
The Weather Channel	2,200	22,000,000
WGN-TV	9,254	22,180,000
WOR-TV	1,999	8,669,134
WPIX-TV	254	2,434,000
WTBS-TV	8,373	37,582,000

Pay services

American Movie Classics	350	2,000,000
Bravo	285	350,000
Cinemax	3,300	3,700,000
The Disney Channel	4,300	3,000,000
GalaVision	234	183,000
Home Box Office (HBO)	6,900	14,600,000
Home Theater Network (HTN)	350	300,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	580	732,000
Showtime	3,200	5,400,000

Audio services

Cable Radio Network	24	1,500,000
JazzAmerica	NA	NA
KKGO Super Jazz	11	98,521
Moody Bible Institute	70	923,102
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	159	1,257,000

Text services

AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	28	2,045,000
DBC/ MarketWatch	50	NA
Electronic Program Guide (EPG)	285	5,643,000
EPG Jr.	76	76,655
Genesis Cable Storytime	26	1,033,000
Reuters News View	325	3,250,000

Basic services	Affiliates	Subscribers
TV Decisions	145	5,450,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Fuji Network	5	11,044
Nippon Golden Network	5	11,044
Vector Consumer News	12	325,000
Vector Consumer Shopping Guide	15	407,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	150,000
Bay Area Religious Channel (BARC)	4	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	38.7	1,300,000
The Ecumenical Channel	7	149,000
KTVT	130	1,882,900
Life Newsvision	35	50,000
Madison Square Garden	82	1,900,000
Meadows Racing Network	14	446,000
MetroChannel	1	118,00
News 12 Long Island	7	500,000
Prime Ticket	207	1,600,000
SportsVision (Chicago)	38	610,000
Texas Cable Network	15	646,000

Pay services

Dodgervision	44	935,000
Home Sports Entertainment—Houston/Dallas	119.5	216,000
Home Team Sports	80	340,000
New England Sports Network	156	172,178
PRISM-Philadelphia	90	370,000
Pro-Am Sports	110	112,000
SportsChannel (New England)	135	363,000
SportsChannel (New York)	66	562,000
Z Channel	25	89,500

Announced services

Satellite-fed services	Expected launch
Americana Network	3rd Quarter 1987
American Catalog Shopper's Network	3/87
Apollo Entertainment Television	TBA
Barter Resources Shopping Network	3rd Quarter 1987
The Book Channel	TBA
Comedy Television	1st Quarter 1987
Crazy Eddie World Of Home Entertainment Shopping Network	1st Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
EventTelevision	1st Quarter 1987
The Fashion Channel	2nd Quarter 1987
Gospel Music Network	3/87
International Business Network	2nd Quarter 1987
International Cablecasting's Cable Radio Network	9/87
Movie Time	1/87
Ozark Mountain Network	(2/87)
PreView Channel	4/87
The Preview Network	3/87
The Travel Channel	2/87
Tunnelvision	10/87
Vacation Travel Network	6/87
Video Shoppng Center (Telstar/LBS)	4/87
World Travel Network	1st Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available.
TBA denotes to be announced.

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FEBRUARY 2, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

OPERATORS AGREE ON SUPPORT FOR TURNER

TECH QUESTION CLOUDS MUST-CARRY ISSUE

PAY SERVICES MAY BE MOVING OUT OF SLUMP

SCRAMBLING AGENDAS DELAYED, BUT COMMITMENTS FIRM

LOS ANGELES CABLE POTENTIAL COMING INTO FOCUS

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FRONT LINE

Turner wins backing 12
A group of cable operators and Kirk Kerkorian have agreed to a $550-million investment in Turner Broadcasting System to assist TBS in paying creditors.

New case against A/B switch 16
Among the multitude of filings in the wake of the Federal Communication Commission's stay of its new must-carry order is a claim made by Gill Cable indicating installation of A/B switches is likely to result in signal interference as well as leakage in excess of FCC standards.

Pay service surge 17
Improved performances among pay services in the fourth quarter of 1986 are sparking hopes that the worst of the pay slump is over.

Fowler leaving FCC 20
Dennis Patrick is seen as likely successor to the resigning chairman of the Federal Communications Commission, with the result that policies are expected to remain the same.

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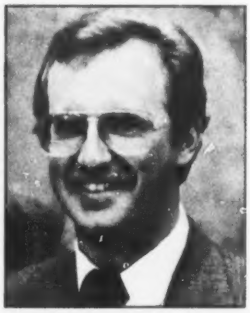
MARKETING

A new attempt at a weekly cable guide 27
Cablevision Systems is developing a weekly guide for some of its New York Regional systems, with startup scheduled for later this year.



ON DEMAND

ANI results looking good 30
A variety of cable system pay-per-view tests involving telephone companies' Automated Number Identification services are demonstrating the technology is a viable option in efforts to introduce a cost-effective impulse-buy capability to PPV. But operators want the telcos' ANI charges to come down still further.

SATELLITE DIRECT

The new scrambling agenda 32
A variety of factors have pushed back many cable network's scrambling timetables, but 1987 should see the barriers removed and a majority of the major networks fully scrambled.

Closing in on VideoCipher pirates 38
General Instrument has won an injunction against a group charged with offering illegal gear to the public in the opening phases of a campaign to stop the spread of theft among TVRO households.

BUSINESS AND FINANCE

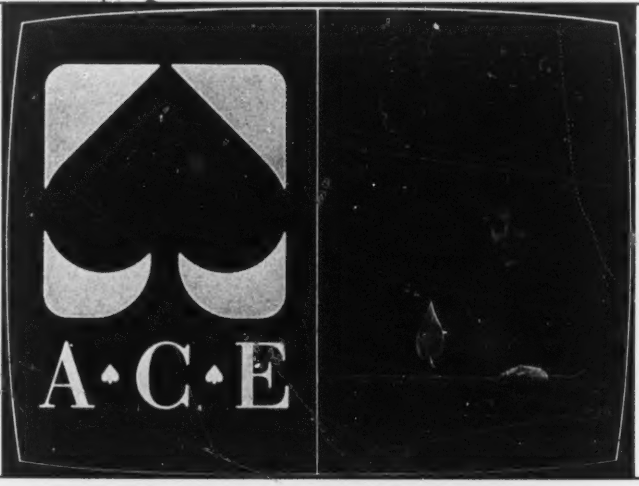
The L.A. market potential 41
As United Cable's East San Fernando Valley newbuild comes on-line, it is beginning to look like operators in the Los Angeles region will finally be in a position to capitalize on the revenue potentials of the vast market.

CORRECTION

A line dropped in the production of the Forum section in the Jan. 19 issue of *CableVision* resulted in the incorrect identification of one participant and the ommission of mention of another in the introduction. The person not named in the introduction was Michael Fuchs, chairman and CEO of HBO. Incorrectly identified was Terrence Elkes, who is president and CEO of Viacom International. Our apologies to both parties.

COVER STORY

ACE winners 22
Some of the scenes at this year's ACE ceremonies included (clockwise from top right) Lucy Webb's acceptance of the award for best actress in a comedy series (*Not*



***Necessarily The News* on HBO); a post-show encounter between the affair's host and hostess, Garry Shandling and Bernadette Peters; and Peter Hansen's acceptance of Susan Sarandon's award for best actress in a dramatic series (*Oxbridge Blues* on Arts & Entertainment).**

Pay Per View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

February

Source

Armed and Dangerous (2/1) — **Columbia**
MPAA Rating: PG-13 Running Time: 88 mins.
Cast: John Candy, Eugene Levy, Robert Loge.

Back to School (2/1) — **Orion**
MPAA Rating: PG-13 Running Time: 96 mins.
Cast: Rodney Dangerfield, Sally Kellerman, Burt Young.

A Fine Mess (2/1) — **Columbia**
MPAA Rating: PG-13 Running Time: 90 mins.
Cast: Ted Danson, Howie Mandel.

Friday the 13th: Part 6 (2/11) — **Paramount**
MPAA Rating: R Running Time: 87 mins.
Cast: Thom Mathews, Jennifer Cooke, David Kagan.

Heartburn (2/11) — **Paramount**
MPAA Rating: R Running Time: 108 mins.
Cast: Meryl Streep, Jack Nicholson.

Not Quite Paradise (2/26) — **HBO Enterprises**
MPAA Rating: R Running Time: 114 mins.
Cast: Sam Robards, Joanna Pacula.

Psycho III (2/5) — **Universal**
MPAA Rating: R Running Time: 93 mins.
Cast: Anthony Perkins.

Reform School Girls (2/26) — **HBO Enterprises**
MPAA Rating: R Running Time: 88 mins.
Cast: Wendy Williams, Sybil Danning.

Running Scared (2/15) — **MGM/UA**
MPAA Rating: R Running Time: 106 mins.
Cast: Billy Crystal, Gregory Hines.

March

Source

Aliens (3/19) — **20th Century-Fox**
MPAA Rating: R Running Time: 99 mins.
Cast: Sigourney Weaver.

Club Paradise (3/11) — **Warner Bros.**
MPAA Rating: PG-13 Running Time: 96 mins.
Cast: Robin Williams, Peter O'Toole, Rick Moranis.

Code Name: Wild Geese (3/16) — **HBO Enterprises**
MPAA Rating : R Running Time: 102 mins.
Cast: Lee Van Cleef, Ernest Borginine, Nimsy Farmer, Klaus Kinsky.

Hard Traveling (3/16) — **HBO Enterprises**
MPAA Rating: PG Running Time: 107 mins.
Cast: Ellen Geer, J.E. Freeman, Barry Corbin.

Haunted Honeymoon (3/1) — **Orion**
MPAA Rating: PG Running Time: 83 mins.
Cast: Gene Wilder, Gilda Radner, Dom DeLuise.

Night of the Creeps (3/1) — **Tri-Star**
MPAA Rating: R Running Time: 88 mins.
Cast: Jason Lively, Steve Marshall, Jill Whitlow, Tom Atkins.

Opposing Forces (3/15) — **HBO Enterprises**
MPAA Rating: R Running Time: 107 mins.
Cast: Tom Skerrit, Lisa Eichorn, Richard Roundtree.

The Peanut Butter Solution (3/16) — **HBO Enterprises**
MPAA Rating: PG Running Time: 91 mins.
Cast: Matthew MacKay, Michael Hogan, Alison Podbray.

Ruthless People (3/19) — **Disney**
MPAA Rating: R Running Time: 94 mins.
Cast: Danny DeVito, Bette Midler.

Stand By Me (3/1) — **Columbia**
MPAA Rating: R Running Time: 87 mins.
Cast: River Phoenix, Wil Whitson, Jerry O'Connell, Kiefer Donaldson, Corey Feldman.

Touch and Go (3/1) — **Tri-Star**
MPAA Rating: R Running Time: 102 mins.
Cast: Michael Keaton, Maria Conchita Alonzo, Ajay Nadu.

Note: Running times are approximate.

Film information provided to International Thomson Communications Inc. by distributors.
NR indicates film not rated by MPAA.
* Unavailable at presstime.

Pay Per View Services Profile

Service:	**Cable Video Store**	**Request Television**	**Telstar Channels**	**Viewer's Choice**
Launch:	April 1,1986	November 27, 1985	June 5, 1986	November 26, 1985
Delivery:	Satcom 4, transponder 16	Galaxy 1, transponder 12	Interrum Standalone, presently testing on Telstar 303	VC-1 Satcom 3R, transponder 5 VC-2 Galaxy 1, transponder 16
Encryption:	VideoCipher II	VideoCipher II	Presently testing G. I. Starloc IV	VideoCipher II
Programming:	All movies, 24 hours per day 50-60 titles per month.	Two to four major motion pictures per week. special events	Channels 1&2: two major motion pictures on a biweekly rotation. Channel 3: three major motion pictures per week, special events	One major motion pictures per week special events
Subscribers:	Field trial basis; currently serving 10 MSO's nationwide. (2,500+ Impulse addressable subscribers)	Available in systems serving 2 million subs (1.4 million addressable)	Available in systems serving 74,000 subs (11,500 addressable).	Available in systems serving 2 million subs (1.6 million addressable)

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	71,137,000	41,971,000	47	26,022,000	30
1986E	87,800,000	68,121,000	39,510,000	45	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	86,304,000
Homes passed by cable (HP)	64,571,000
Percent of TVHH passed by cable	74.7%
Basic cable subs	36,120,000
Percent of TVHH with basic cable	41.8%
Percent of HP with basic cable	56.0%
Pay cable subs	21,672,000
Percent of TVHH with pay cable	25.1%
Percent of HP with pay cable	33.6%
Percent of basic subs with pay cable	60. 0%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Eternal Word Television Network	12
Financial News Network	4
Genesis Storytime	8
HBO (West)	13
HSN2	2, 16
HTN	16
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
Reuter Monitor Service	18
Showtime (West)	10
Tempo Television	6
TV Decisions	24
Trinity Broadcasting Network	3
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Sports Entertainment	11
Home Team Sports	22
Innovations In Living (HSN2)	1
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
Keyfax National Teletext Magazine	18
Moody Broadcasting Network	3
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner.
Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	3,900,000	(12/85)
*2.	American Television and Communications Corp.	3,200,000	(11/86)
3.	Storer Cable Communications	1,537,000	(11/86)
4.	Cox Cable Communications	1,352,534	(11/86)
5.	Continental Cablevision	1,339,000	(10/86)
6.	Warner Cable Communications Inc.	1,293,000	(11/86)
*7.	Comcast	1,103,145	(9/86)
8.	United Cable	1,080,137	(11/86)
9.	Newhouse Broadcasting	1,002,340	(11/86)
10.	Heritage Communications Inc.	957,650	(10/86)
11.	Viacom Cablevision	940,000	(11/86)
12.	Jones Intercable	894,332	(1/87)
13.	Times Mirror Cable Television inc	836,077	(11/86)
14.	UA Cablesystems Corp.	753,363	(11/86)
15.	Sammons Communications Inc.	708,609	(12/85)
16.	Cablevision Systems Corp.	654,600	(12/86)
17.	Century Communications Corp.	600,000	(12/86)
18.	American Cablesystems Corp.	568,322	(11/86)
19.	Rogers Cablesystems Inc.	555,589	(10/86)
20.	Telecable Corp.	489,437	(11/86)
*21.	Daniels & Associates	452,825	(9/86)
22.	McCaw Communications	416,545	(10/86)
23.	Centel Cable	384,825	(10/86)
24.	Falcon Cable	379,000	(12/86)
25.	Cable Vision Industries	367,700	(8/86)
26.	Post-Newsweek	365,366	(10/86)
27.	Wometco Cable TV Inc.	355,870	(10/86)
28.	Scripps-Howard	349,155	(10/86)
29.	Adelphia Communications	346,707	(12/86)
30.	TCA Group	294,702	(8/86)
31.	Multimedia Cablevision	293,704	(12/86)
32.	Prime Cable Corp.	272,843	(11/86)
33.	Colony Communications Inc.	253,263	(11/86)
34.	Maclean Hunter Cable TV Ltd	242,593	(10/86)
35.	Lenfest Group	216,605	(10/86)
36.	Tele-Media	215,000	(7/86)
37.	Communications Service Inc.	210,000	(12/86)
38.	Rifkin & Associates	200,000	(10/86)
39.	Service Electric Cable TV Inc.	195,000	(7/86)
40.	TKR Cable Co.	184,595	(11/86)
41.	TCI-Taft	180,330	(11/86)
42.	Western Communications	178,543	(10/86)
43.	Cablentertainment	173,145	(10/86)
44.	Sutton Capital Corp.	166,561	(2/86)
45.	Hauser Communications Inc.	165,000	(12/86)
46.	Adams-Russell Communications	156,000	(12/86)
47.	First Carolina Communications Inc.	153,477	(10/86)
48.	Harron Communications	148,412	(12/86)
49.	Harte-Hanks Communications	146,813	(8/86)
50.	Greater Media	146,409	(12/86)
51.	Cencom Cable	142,863	(10/86)
52.	Armstrong Utilities	137,587	(12/86)
53.	Media General Inc.	136,200	(11/86)
54.	Marcus Communications	133,711	(12/86)
55.	Palmer Communications	132,765	(10/86)
56.	Televents Inc.	128,734	(11/86)
57.	Harris Cable Corp.	123,920	(11/86)
58.	Summit Communications	115,405	(11/86)
59.	The Essex Group	113,273	(12/86)
60.	Sonic Communications	110,000	(7/86)
61.	Blade Communications	105,000	(7/86)
62.	Columbia International	105,000	(1/87)
63.	Scott Cable Communications	105,000	(3/86)
64.	Multi-Channel TV Cable Inc.	104,585	(12/86)
65.	U.S. Cable Corp.	103,599	(10/86)
66.	Northland Communications	103,550	(1/87)
67.	Booth Communications	102,825	(11/86)
68.	Simmons Communications	100,295	(10/86)
69.	James Communications	95,000	(12/86)
70.	King Videocable	94,327	(11/86)
71.	Perry Cable TV Corp.	91,306	(8/86)
72.	McDonald Group	90,079	(8/84)
73.	Susquehanna Broadcasting	89,701	(10/86)
74.	WEHCO Video	85,807	(10/86)
75.	Midcontinent Cable Systems Co.	79,821	(12/86)
76.	Pencor Services	76,857	(11/86)
77.	Omega Communications	74,213	(11/86)
78.	Selkirk Communications	63,000	(11/86)
79.	National Telecommunications Corp.	61,625	(1/86)
80.	The Daily Press	60,100	(6/86)
81.	Mountain Cable Co.	60,000	(10/86)
82.	Acton Corp.	60,035	(1/87)
83.	United Video Management	59,448	(10/86)
84.	Tidel Communications	55,442	(12/86)
85.	Helicon Corp.	55,000	(11/86)
86.	Masada Corp.	53,237	(7/86)
87.	Chambers Communications Corp.	53,093	(12/86)
88.	Cardinal Communications	52,419	(10/86)
89.	Wisconsin Cablevision and Radio Co.	50,083	(7/86)
90.	State Cable TV	47,933	(11/86)
91.	Joseph Gans Cable TV	46,532	(11/86)
92.	Dowden Cable	45,385	(1/87)
93.	C4 Media Corp.	45,200	(9/86)
94.	Bresnan Communications Co.	44,426	(8/86)
95.	Enstar Communications	43,579	(11/86)
96.	New England Cablevision	43,050	(9/86)
97.	Donrey Cablevision	42,600	(11/86)
98.	Commonwealth Cable Systems	40,987	(10/86)
99.	North American Comm. Corp.	37,710	(6/86)
100.	Hearst Communications of California	37,016	(9/86)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217. * Includes portion of Group W subscribers.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	Woodbury (Long Island), NY	Cablevision Co.	275,162	(12/86)
2.	San Diego, CA	Cox Cable	272,304	(11/86)
3.	Manhattan, NY	ATC	219,600	(12/85)
4.	San Antonio, TX	Rogers	198,736	(11/86)
5.	Houston, TX	Warner	189,900	(11/86)
6.	East Orange, NJ	Maclean Hunter	184,841	(10/86)
7.	Seattle/Snohomish, WA	Viacom	171,000	(11/86)
8.	Honolulu, HI	ATC	164,300	(12/85)
9.	Louisville/Jeff. Co., KY	Storer Communications	155,000	(11/86)
10.	Hartford/New Britain CT	United Cable	153,570	(7/86)
11.	Cincinnati, OH	Warner	153,100	(11/86)
12.	Phoenix, AZ	Times Mirror	152,214	(11/86)
13.	Wayne, NJ	UA Cablesystems	149,685	(11/86)
14.	Rochester, NY	ATC	141,000	(1/87)
15.	Tulsa, OK	United Cable	140,333	(6/86)
16.	Englewood, CO	United Cable	138,285	(8/86)
17.	Tidewater (Norfolk), VA	Cox Cable	137,629	(8/86)
18.	Cherry Hills, NJ	NYT	133,316	(5/86)
19.	Buffalo, NY	Adelphia Communications	132,209	(12/86)
20.	Atlanta, GA	Prime Cable Corp.	132,133	(11/86)
21.	Jacksonville, FL	Continental	129,500	(10/86)
22.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
23.	Seattle, WA	Group W (TCI)	127,000	(5/86)
24.	Fairfax, VA	Media General	125,991	(11/86)
25.	Baltimore County, MD	Comcast	122,730	(9/86)
26.	Erie County, NY	Prime Cable Corp.	119,002	(11/85)
27.	San Jose, CA	Gill Industries	117,000	(12/86)
28.	Manhattan, NY	Group W (ATC)	115,000	(5/86)
29.	Kansas City, MO	ATC	114,600	(12/85)
30.	St. Louis Co., MO	Cencom Cable	111,487	(10/86)
31.	Long Island, NY	Viacom	110,000	(11/86)
32.	Austin, TX	ATC	109,700	(12/85)
33.	Central Islip (Long Island), NY	Viacom	109,000	(9/86)
34.	Memphis, TN	ATC	106,900	(12/85)
35.	San Juan, PR	Harris Cable Corp.	104,823	(11/86)
36.	Richmond/Henrico, VA	Continental	104,000	(10/86)
37.	Toledo, OH	Blade Communications	103,982	(4/86)
38.	Los Angeles, CA	Falcon	103,869	(4/86)
39.	San Francisco, CA	Viacom	103,000	(11/86)
40.	Warren, NJ	TKR	99,379	(11/86)
41.	Jefferson Parish/Kenner, LA	Cox Cable	96,886	(11/86)
42.	Southeast Michigan	Comcast	96,454	(9/86)
43.	Pompano, FL	American Cablesystems	94,569	(11/86)
44.	Pinellas County, FL	Vision Cable	93,556	(12/86)
45.	Wilmington, DE	Heritage	93,000	(6/86)
46.	San Diego, CA	ATC	92,200	(12/85)
47.	Dallas, TX	Heritage	91,956	(10/86)
48.	Grand Rapids, MI	UA Cablesystems	91,480	(11/86)
49.	Dade/Broward, FL	Storer	87,573	(11/86)
50.	Escondido, CA	Times Mirror	85,678	(9/86)
51.	Pittsburgh, PA	Tele-Communications Inc.	84,517	(6/86)
52.	Jackson/Monroe, MS	ATC	82,500	(12/85)
53.	Wichita, KS	Multimedia Cablevision	82,172	(12/86)
54.	Indianapolis, IN	Indianapolis Cablevision Inc.	80,969	(5/86)
55.	South Texas, TX	Heritage	79,688	(10/86)
56.	Charlotte, NC	ATC	78,700	(12/85)
57.	Boston, MA	Cablevision	78,500	(11/86)
58.	Flint, MI	Comcast Cable	78,349	(9/86)
59.	Puget Sound, WA	Viacom	78,000	(9/86)
60.	Raleigh, N.C.	ATC	77,600	(12/85)
61.	Baton Rouge, LA	Daniels & Assocs.	77,218	(12/86)
62.	Tacoma, WA	Cable TV of Puget Sound	76,132	(5/86)
63.	Chicago, IL	Group W	75,000	(4/86)
64.	New Orleans, LA	Cox Cable	74,579	(11/86)
65.	Greensboro, NC	ATC	74,100	(12/85)
66.	Santa Monica, CA	Group W	74,000	(5/86)
67.	Las Vegas, NV	Prime	72,293	(11/86)
68.	Orange County, CA	Times Mirror	72,124	(9/86)
69.	Nashville, TN	Viacom	72,000	(11/86)
70.	South Bend, IN	Heritage	71,887	(10/86)
71.	Cleveland Heights, OH	Viacom	71,000	(11/86)
72.	Contra Costa Co. CA	Televents	70,665	(11/86)
73.	Milwaukee, WI	Warner	70,182	(11/86)
74.	Allentown, PA	Service Elec.	70,000	(7/86)
75.	Akron, OH	Warner	69,055	(11/86)
76.	Fayetteville, NC	ATC	69,000	(9/86)
77.	New Haven, CT	Storer	69,541	(11/86)
78.	Columbus, OH	Warner	68,900	(11/86)
79.	Little Rock, AR	Storer	68,372	(11/86)
80.	Omaha, NE	Cox Cable	67,613	(11/86)
81.	Medford Complex (Boston Suburbs), MA	Warner	67,400	(11/86)
82.	Birmingham, AL	ATC	66,200	(11/86)
83.	Ocean County, NJ	Adelphia	66,051	(6/86)
84.	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
85.	Des Moines, IA	Heritage	65,430	(10/86)
86.	St. Petersburg, FL	Group W (ATC)	64,478	(5/86)
87.	Syracuse (suburbs), NY	NewChannels Corp.	64,065	(9/86)
88.	Indianapolis,IN	ATC	64,000	(12/85)
89.	Greater Bridgeport, CT	Cablevision Co.	63,800	(11/86)
90.	Monterey, CA	Western Communications	63,731	(10/86)
91.	Sarasota, FL	Storer	63,236	(11/86)
92.	Oklahoma City, OK	Cox Cable	63,075	(11/86)
93.	Santa Barbara, CA	Cox Cable	62,456	(11/86)
94.	Lower Fairfield Co., CT	Cablevision Co.	62,360	(11/86)
95.	Winston-Salem, N.C.	Summit	62,238	(11/86)
96.	Madison, WI	Tele-Communications Inc.	62,099	(5/86)
97.	El Paso, TX	Group W (ATC)	62,000	(9/86)
98.	Charleston, S.C.	Storer	61,626	(11/86)
99.	Albany, GA	Storer	60,964	(11/86)
100.	W. San Fernando Valley, CA	Valley Cable	60,866	(8/86)

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FEBRUARY 16, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

HOUSE SEEN LIKELY TO EXPLORE CABLE ISSUES

VIACOM, HERITAGE BIDS INTENSIFY POWER STRUGGLE

TRAVEL CHANNEL LAUNCHES, GAINING NEW SUPPORT

PROGRAMMERS GEARING UP FOR MORE FREE PREVIEWS

ANNUAL SYSTEM SALES ROUNDUP: '86 BROKE ALL RECORDS

A STUDY IN SYSTEM SALES ECONOMICS: SIMMONS' LONG BEACH GAMBLE LOOKING GOOD

CableVision

FRONT LINE

Congress signals cable overview 12
The House telecommunications subcommittee appears likely to hold broad-based hearings focusing on such cable-related issues as telco-cable crossownership, pricing under deregulation and the growing strength of the industry. But no specific action is anticipated in either house of Congress, unless there is a public outcry over cable pricing.

High stakes deals 16
1987 is getting underway with no letup in the jockeying for control over cable empires, with new bids for Viacom and Heritage setting the pace.

Travel Channel launch 18
TWA's cable venture is off to an auspicious start with commitments from a wide range of MSOs.

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PROGRAMMING

NATPE realities 24
A soft sales pace at the National Association of Television Program Executives convention in New Orleans has heightened distributors' interest in developing outlets for their shows in cable.

MARKETING

Free previews gaining momentum 42
Successful fall campaigns have led pay suppliers to intensify the free preview approach to marketing services, with broadcast airings now a part of the scenario.

BUSINESS

Annual system sales roundup 54
Records set in 1986 are not likely to fall anytime soon, but 1987 is shaping up to be another banner year in cable system sales. Feature includes chart listing brokers' transactions for all of 1986.

COVER STORY

System turnaround 48
The Long Beach, Calif. cable system purchased nearly two years ago by Simmons Communications is one example of why operators are willing to risk paying high prices for iffy properties. With a turnaround in full swing, Long Beach promises to realize a solid return on a $44-million investment. The Simmons management group includes; (from left) Ray Pearson, Pat Murphy, Paul Berg, Linda Edwards, Steve Simmons, Bob Russman, Frank McNellis, Julian Catalano and Kelly Fife.

Film product comparison-March

Film	Pay Networks					Distributor
Actress, The				DIS*		MGM/UA
Adventures of Huckleberry Finn, The		ST	(TMC)		(MAX)	Transcon
Adventures of Mark Twain, The				DIS		Clubhouse Pictures
Advice to the Lovelorn	HBO*					Universal
After Hours					MAX*	Warner Bros.
Agatha			(TMC)		MAX	Warner Bros.
Alice's Adventures In Wonderland	HBO	(ST)				American
All Mine to Give				DIS		RKO Pictures
All the King's Men					MAX	Columbia
Amadeus		(ST)	TMC			Paramount
American Flyers		(ST)	TMC		(MAX)	Warner Bros.
And Now For Something Completely Different	HBO					Columbia
Antarctica			(TMC)		MAX	20th Century-Fox
April In Paris					MAX	Warner Bros.
Around the World In Eighty Days					MAX	Warner Bros.
Asterix the Gaul				DIS*		Gaumont
Atlantic City	(HBO)		TMC*			Paramount
Aurora Encounter, The					MAX	New World
Awful Truth, The					MAX*	Columbia
Baby...Secret of the Lost Legend		(ST)	TMC*		MAX*	Disney
Bad Boys	HBO				(MAX)	Thorne-EMI
Bananas		ST			MAX	MGM/UA
Bandit of Sherwood Forest, The				DIS*		Columbia
Becket			TMC*			Maljack
Beniker Gang, The	HBO					Lorimar
Beverly Hills Cop		ST	(TMC)			Paramount
Beyond the Walls			TMC*			Warner Bros.
Big Bounce, The			TMC			Warner Bros.
Billion for Boris, A				DIS		Film Gallery
Big Gamble, The				DIS		20th Century-Fox
Big Hand for the Little Lady					MAX	Warner Bros.
Bitter Victory					MAX	Columbia
Black and White In Color			TMC			Centerpoint
Blind Date			TMC*			Wescom
Bloodline	HBO		TMC			Paramount
Born Free				(DIS)	MAX*	Columbia
Born Yesterday			TMC			Columbia
Brazil		(ST)	(TMC)		MAX*	Universal
Breakin'	HBO					Cannon
Breakthrough		(ST)			MAX	Warner Bros.
Breed Apart, A					MAX	Hemdale
Brewster's Millions		ST			(MAX)	Universal
Bridge on the River Kwai			TMC	DIS	MAX*	Columbia
Brigadoon		ST			MAX*	MGM/UA
Bristle Face				DIS*		Disney
Brood, The			TMC			Viacom
Brother From Another Planet, The	HBO					Cinecom
Bully				DIS		Goldwyn
Butterflies Are Free					MAX*	Columbia
By the Light of Silvery Moon					MAX	Warner Bros.
California Suite	HBO				(MAX)	Columbia
Camel Boy, The				DIS		Cori Films Int'l
Camelot			TMC			Warner Bros.
Candidate, The		(ST)	TMC		(MAX)	Warner Bros.
Cartier Affair, The	HBO					King Features
Cat Ballou					MAX*	Columbia
Catered Affair, The		ST				MGM/UA
Choose Me	(HBO)	ST*	(TMC)			Lorimar
Cimarron		(ST)	TMC			MGM/UA
Circus				DIS		Disney
Citizen Kane					MAX	RKO Pictures
Clairvoyant, The	HBO*		(TMC)			20th Century-Fox
Clown, The		ST				MGM/UA
Cocoon	(HBO)	(ST)	TMC*		(MAX)	20th Century-Fox
Code Name: Emerald	HBO					MGM/UA
Code of Silence	HBO				(MAX)	Orion
Conan the Barbarian		ST			(MAX)	Universal
Continental Divide		ST				Universal
Cotton Club, The	(HBO)	ST	(TMC)			Orion
Country			(TMC)	DIS		Touchstone
Creature	(HBO)		TMC*		(MAX)	
Damned Don't Cry, The		ST				Warner Bros.
Dangerous Moves			TMC			Centerpoint
Darby O'Gill and the Little People				DIS		Disney
Dark Forces	HBO					Castle
Defcon 4	(HBO)				MAX	New World
Detective, The					MAX	Columbia
Devil and Daniel Webster, The		(ST)	TMC			New Century
Die Laughing					MAX	Warner Bros.
Dodson Takes a Wife					MAX	Columbia
Door to Door	HBO*					Castle
Dot and the Koala				DIS*		Cori Films Int'l
Down and Out in Beverly Hills		ST				Touchstone
Down Argentine Way				DIS		20th Century-Fox
Draw!	HBO					Wholestar
Dream Lover					MAX	MGM/UA
Eagle's Wing				DIS		Goldwyn
East of Eden			TMC			Warner Bros.
Elephant's Child, The		ST				Devillier
Emmanuelle 4					MAX	MGM/UA
Empire Strikes Back, The	HBO*	ST*	TMC*		(MAX)	Lucasfilm
Everything I Have Is Yours			TMC			MGM/UA
Fanny and Alexander			TMC			Embassy
Fanny Hill					MAX*	Playboy
Fatal Attraction	HBO					Parasol
Final Countdown, The	HBO				(MAX)	Film Finance
Flamingo Kid, The	(HBO)	(ST)	TMC		(MAX)	Universal
Fletch	(HBO)	(ST)	(TMC)		MAX	Universal
Fool for Love		ST*				Cannon
For Heaven's Sake		ST				Viacom
Freaky Friday				DIS		Disney
Friday the 13th: A New Beginning		ST	(TMC)			Paramount
From Earth to the Moon				DIS		RKO Pictures
Front, The	HBO					Columbia
F/X	(HBO)	ST	(TMC)			Orion
Garden of the Finzi-Continis, The			TMC			Almi
Gimme an "F"	(HBO)	ST	(TMC)		MAX	20th Century-Fox
Glass Bottom Boat, The					MAX	MGM/UA
Gods Must Be Crazy, The		ST				20th Century-Fox
Gold is Where You Find It		(ST)	TMC			MGM/UA
Goodbye Cruel World			TMC*			Sharp Features
Goodbye Emmanuelle		ST*				Miramax
Gotcha!		ST	(TMC)		(MAX)	Universal
Great Muppet Caper	(HBO)			DIS	(MAX)	Home Box Office
Gremlins		(ST)	(TMC)		MAX*	Warner Bros.
Gulliver's Travels	HBO			(DIS)		Miramax
Gung Ho		ST*				Paramount
Hamburger: The Motion Picture	HBO					Feldman
Hans Christian Andersen				DIS		Goldwyn
Happy Hooker Goes to Washington, The		ST				Cannon
Headin' for Broadway					MAX	Broadway
Head Office					MAX*	Silver Screen
Heavenly Kid, The	(HBO)				MAX	Orion
Hello, Frisco, Hello					MAX	20th Century-Fox
Highlander	HBO	ST				20th Century-Fox
Hills Have Eyes, The	HBO		TMC			Castle Hill
Hitcher, The					MAX*	Silver Screen
Hollywood Cavalcade					MAX	20th Century-Fox
Home From the Hill	(HBO)	ST	(TMC)			MGM/UA
Honey		ST				Italtoons
Hotel					MAX	Warner Bros.
Hot Moves		(ST)	TMC			RK Video
Hot Resort	(HBO)	ST*				Cannon
Hot Target					MAX	Crown
House of Seven Hawks, The		ST				MGM/UA
How to Be a Perfect Person in Just Three Days				DIS*		Wonderworks
Imagemaker, The	HBO					Castle
I Married the Klondike (parts 1 & 2)				DIS		Canadian

Film	Pay Networks					Distributor
Jigsaw Man, The	HBO				(MAX)	Jigsaw
Julius Caesar		(ST)	TMC			MGM/UA
Just Between Friends	HBO	ST				Orion
Kid From Left Field, The				DIS		20th Century-Fox
Killing Fields, The	(HBO)		TMC		(MAX)	Warner Bros.
King David		ST	(TMC)			Paramount
Kiss of the Spider Woman			TMC*			Embassy
Klute		(ST)	TMC		(MAX)	Warner Bros.
Knight Without Armour				DIS		Goldwyn
La Cage Aux Folles 3					MAX	Tri-Star
LadyHawke		ST	(TMC)		(MAX)	Warner Bros.
Last Dragon, The	HBO					Tri-Star
Law and the Lady, The			TMC			MGM/UA
Legend of Billie Jean, The	(HBO)				MAX	Tri-Star
Lifeforce	(HBO)				MAX	Transcon
Life on the Mississippi			TMC*			Transcon
Limelight			TMC			20th Century-Fox
Little Boy Lost				DIS		Adler Video
Little Magician and the Bad Mask				DIS		Londonderry
Loved One, The			TMC			MGM/UA
Love Me or Leave Me			TMC*			MGM/UA
Lucas	HBO	ST				Fox/Lorber
Lullaby of Broadway		(ST)			MAX	Warner Bros.
Madame Rosa			TMC*			Film Gallery
Magnificent Dope, The				DIS*		20th Century-Fox
Mambo			TMC*			DEG
Man in the Wilderness	HBO					Warner Bros.
Martin's Day	HBO					MGM/UA
Mask		(ST)	TMC*		(MAX)	Universal
Master of Ballantrae		ST				Warner Bros.
Mata Hari	HBO				(MAX)	Cannon
Member of the the Wedding, The				DIS	(MAX)	Columbia
Million Dollar Duck				DIS*		Disney
Minstrel Man		(ST)	TMC			Viacom
Modern Times			(TMC)		MAX	20th Century-Fox
Monsieur Verdoux		ST				20th Century-Fox
Mountain Family Robinson				DIS		Pacific Int'l
Mountaintop Motel Massacre					MAX	New World
Music Man, The			TMC*		(MAX)	Warner Bros.
My Blue Heaven				DIS*		20th Century-Fox
My Chauffeur					MAX*	Crown
My Man Adam					MAX*	Tri-Star
Mysterious Stranger		ST				Transcon
Mystery Mansion	HBO					Pacific Int'l
9½ Weeks		ST*				TBS
Naked Face, The	(HBO)	ST				Cannon
Neptune's Daughter			TMC*			MGM/UA
Never Cry Wolf				DIS		Touchstone
Nightmare on Elm Street, A	HBO		(TMC)		(MAX)	New Line
Night Patrol	(HBO)				MAX	New World
Nights of Cabrina			TMC			DEG
Odd Jobs					MAX	Silver Screen
Official Story, The	HBO					Almi
Of Uknown Origin					MAX	Warner Bros
Old Enough	HBO				(MAX)	Film Gallery
"Oliver!"					MAX*	Columbia
Oliver Twist	HBO	(ST)	(TMC)			Warner Bros.
Only When I Laugh	HBO					Columbia
On the Town		(ST)	TMC		MAX	MGM/UA
Ordeal by Innocence	HBO				(MAX)	Cannon
Out of Africa	HBO*	(ST)	TMC*		(MAX)	Universal
Paris, Texas			(TMC)		MAX	20th Century-Fox
Pee Wee's Big Adventure			TMC		(MAX)	Warner Bros.
Police Academy 3	HBO				MAX	Warner Bros.
Police Academy 2	HBO	(ST)	(TMC)		(MAX)	Warner Bros.
Porky's Revenge	(HBO)		(TMC)		MAX	20th Century-Fox
P.O.W. The Escape		ST				Cannon
Pretty In Pink		ST				Paramount
Prime Risk	HBO*					Almi
Princess and the Pirate, The				DIS		Goldwyn
Prizzi's Honor		(ST)	TMC		MAX*	Universal
Prodigal, The			TMC			MGM/UA
Quest, The				DIS		Miramax
Quick Silver	HBO					Columbia
The Rack		ST				MGM/UA
						Viacom
Rambo First Blood Part 2	(HBO)				MAX*	Tri-Star
Raw Courage			(TMC)		MAX	New World
Reds	(HBO)	(ST)	TMC			Paramount
Reformer and the Redhead, The			TMC			MGM/UA
Return of the Jedi	HBO	ST	TMC		MAX	Lucasfilm
Richard Pryor Live On the Sunset Strip	(HBO)				MAX	Columbia
Roots of Goofy, The				DIS*		Disney
Rubber Tarzan			(TMC)	DIS		Janus Film
Ruling Class, The	HBO		(TMC)			Embassy
Rustler's Rhapsody		(ST)	TMC*			Paramount
Royal Wedding	(HBO)	(ST)		DIS		MGM/UA
Salvador					MAX	Hemdale
Scream for Help		ST			MAX	Lorimar
Sesame Street Presents. Follow That Bird	(HBO)	ST	(TMC)			Warner Bros.
Seven Days to Noon			TMC			New Century
Sex with the Stars					MAX	Film Gallery
Sky Above, The Mud Below, The			TMC			Centerpoint
S.O.B.	HBO		(TMC)		(MAX)	Lorimar
Solo				DIS		Dayton/Stewart
Something for the Birds				DIS*		20th Century-Fox
Somewhere, Tomorrow				DIS*		Film Gallery
Son of Fury				DIS		20th Century-Fox
South Pacific				DIS*		Goldwyn
Spiker	HBO					Seymour Borde
St. Elmo's Fire					MAX	Columbia
Stick	HBO	(ST)			(MAX)	Universal
Strange Companions				DIS*		Disney
Stange Lady in Town		(ST)	(TMC)		MAX	Warner Bros.
Stratton Story, The			TMC			MGM/UA
Stripper					MAX	20th Century-Fox
Sure Thing, The		(ST)	TMC			Embassy
3.15			TMC*			RKO Pictures
2010	HBO		(TMC)		(MAX)	MGM/UA
Target	(HBO)				MAX	Warner Bros.
Tempest					MAX	Columbia
Thank God It's Friday	HBO					Columbia
There Goes the Bride					MAX	New Cinema
These Thousand Hills				DIS		20th Century-Fox
Time After Time					MAX*	Warner Bros.
Time Bomb					MAX*	Universal
To Live and Die in L.A.	(HBO)				MAX	MGM/UA
Tom Sawyer		(ST)		DIS		MGM/UA
Tonka				DIS*		Disney
To Sir with Love					MAX	Columbia
Track of the Cat			(TMC)		MAX	Warner Bros.
Treasure of the Four Crowns	(HBO)				MAX	Cannon
Trip to Bountiful, The			TMC			Embassy
Twentieth Century				DIS	(MAX)	Columbia
Two Weeks in Another Town		ST				MGM/UA
Ups and Downs		(ST)	TMC*			David Armstrong
Used Cars					MAX*	Columbia
Victory	(HBO)	(ST)	TMC*		(MAX)	Lorimar
V.I.P.'s, The		(ST)	TMC*			MGM/UA
Vision Quest			(TMC)		MAX*	Warner Bros.
Wargames		ST			MAX	MGM/UA
Westerner, The				DIS		Goldwyn
Westward the Women					MAX	MGM/UA
Where Do We Go From Here				DIS*	(MAX)	20th Century-Fox
Witness		(ST)	TMC			Paramount
Wind in the Willows, The				DIS		D.L. Taffner
Windwalker				DIS*		Pacific Int'l
Women in Love			TMC		MAX	MGM/UA
Woodstock			TMC			Warner Bros.
Yankee Doodle Dandy			TMC		(MAX)	MGM/UA
Yellow Hair and the Fortress of Gold			TMC			Crown
Yentl			TMC			MGM/UA
You Can't Take It With You					MAX	Columbia
Young Bess				DIS*		
Young Warriors			TMC*			Viacom

Cable Network Legend:
HBO-Home Box Office ST-Showtime TMC-The Movie Channel DIS-The Disney Channel MAX-Cinemax

■Networks in parentheses indicate carriage in October, November, December, January and/or February.

■An asterisk indicates the film is a carry-over from October, November, December, January and/or February.

■In total, 292 films appear on the March schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 12 have played on four of the five services, 30 have played on three, and 76 have played on two of the five services. One hundred and forty-two titles on the March schedules of these five services were unduplicated

■The motion picture distributor with the most titles on pay TV in March is MGM/UA with 40, followed by Warner Bros. with 35, Columbia with 26, 20th Century-Fox with 24 and Universal with 16.

■Titles subject to change.

BUSINESS & FINANCE

1986 system sales roundup

Volume of transactions and prices paid set new records

By Virginia Munger Kahn

From now on 1986 will be the year against which all future years in cable system sales will be judged. Every record for cable industry transactions was broken last year—from the largest deal ever done—the Group W transaction—to the total number of deals closed—339, according to Daniels & Associates.

The total value of those 339 transactions also set a record. With subscribers valued at $1,200 to $1,300 on average, the total cable systems market was worth an estimated $7.4 billion to $8 billion. The number of subscribers that changed hands also hit new highs with more than 6,163,000 subscribers moving between cable companies.

All this activity translated into a record year for the dozen companies that make the brokering of such deals their business. The two largest firms, Daniels & Associates and Communications Equity Associates, both brokered more than $1 billion worth of transactions last year for the first time in their history. The number of transactions these two companies completed in 1986 rose 63 percent and 74 percent, respectively.

Most brokers saw the value of their transactions doubling and tripling last year, while the number of deals they closed rose a minimum of 27 percent. Waller Capital and Cable Investments Inc. did three times as many deals in 1986 as they did in 1985.

Despite the increase in transactions, the number of deals that went unbrokered fell in 1986, indicating that brokers have done a better job convincing potential sellers they need their services to maximize their returns on their investment. According to figures compiled by Daniels & Associates, the number of unbrokered transactions fell 15 percent in 1986 from 113 in 1985 to 96 last year. While almost half the transactions in 1985 were unbrokered, just 28 percent did not involve a financial intermediary last year.

Cable Investments Inc.

System Location	Buyer	Seller	Basic Subs	Homes Passed
Chester, WV		*Brammer Cable TV Inc.	1,972	2,350
East Cleveland, OH	*TBA Inc.	TBA Inc.	4,700	12,000
Manchester, TN		*Manchester Cable TV Inc.	1,650	4,650
Charlotte, VA		*PSTV Inc.	1,622	4,219
Atlanta, GA	Dom Communications Inc.	*PSTV Inc.	1,378	4,063
Barry & Allegan Co., MI	Centel Cable Co. of Michigan	*Charter Telecommunications of MI	1,508	5,850
Corydon, IN	*Command Cable of Southern Indiana, LP	Skyline Communications Corp. and Old Capital Cablevision	1,500	2,746
Bloomington, St. Louis Park, Fridley, MN	*Nortel Cable Associates, LP	Northern Cablevision Inc. (Storer Cable)	25,000	59,864
Cortez, CO	Scott Cable Communications Inc.	*CATV Investors Inc.	2,012	2,800
Surry Co., NC	Star Cable Associates	*Enstar Cable of NC - Piedmont	3,450	6,430
Hamlin Park, NC		*	150	1,346
Amarillo, TX	*TCA Cable TV Inc.	Marsh Media Ltd., Amarillo	38,000	64,000
Sun Valley, ID	*TCA Cable TV Inc.	Sun Valley Cablevision	6,300	4,830
San Juan, Puerto Rico	Century-ML Cable Corp.	*Harris Cable/Heritage Broadcasting	105,000	200,800
Hickory, NC	Prime Cable of Hickory, LP	*Harris Cable/Harriscope Broadcasting	19,100	27,700
Alvadore, OR	TCI of Oregon	*Fern Ridge CableVision Inc.	N/A	N/A
Woodbridge/Dale City, VA	Columbia International Inc.	*Benchmark/Dale City Cable Fund, L.P.	18,000	25,607
Greer, SC, Chincoteague, VA	Columbia International			

NA Information not available
* Party represented by brokers

$1.7 billion

Overall, Daniels did more than $1.7 billion in cable transactions in 1986, including $1.5 billion in brokerage activity and $221 million in corporate financing activity. These figures represented almost triple the amount of brokerage activity and four and one half times as much investment banking activity compared to 1985. Major transactions for the company involved several large deals, including the acquisition of the Tribune cable properties by Jones Intercable, ML Media's acquisition of the Storer California cable systems, Adelphia Communications' purchase of the Buffalo, N.Y. cable system from Prime Cable, and Century Communications' acquisition of the Group W cable properties in California. The average value per subscriber of the transactions Daniels concluded last year was $1,307. The average projected first year cash flow multiple was 10.4.

Communications Equity Associates also saw its total cable television activity leap past its previous year's performance with brokerage and corporate finance activity doubling in value to more than $1.4 billion compared to $663 million in 1985. The company did $282.5 million in corporate finance and $1.12 billion in cable brokerage activity. Major transactions for CEA included two deals involving more than 100,000 subscribers—the sale of Cablentertainment to a number of MSOs, including TCI, Century Communciations, and Sammons Communications, and the sale of Perry Cable TV to Centel. The number of subscribers handled by CEA totaled 756,895, and the average value per subscriber for its transactions was $1,480.

Henry Ansbacher roared into the second tier of brokerage firms by closing more than $350 million in deals last year. Included in that tally were Heritage Communications' acquisition of one-half of Gill Cable, Sonic Communications' acquisition of the Anchorage, Alaska system, and the sale of the Tacoma, Wash. system to Viacom. Weighted heavily by the larger transactions, the average per subscriber value for Ansbacher's deals was $1,631. The cash flow multiple for the first year forward was an average 11.3.

Up 300 percent

Cable Investments Inc. held on to its strong position in the brokerage market by more than tripling the number of transactions and the value of transactions it closed in 1986. Among its major deals the company represented Harris Cable in the sale of its 105,000-subscriber system to Century Communications and ML Media Partners, and it represented TCA Cable in its acquisition of the 38,000-subscriber system in Amarillo, Texas owned by Marsh Media. The total value of Cable Investments' brokerage activity last year was $335.2 million. The average per subscriber value of its deals was $1,399, and the cash flow multiple on a projected first year basis was 10.5.

Phil Hogue

Waller Capital also saw its brokerage activity skyrocket last year. The value of its transactions was up almost five times what it was the previous year while the number of deals closed by the firm tripled. The biggest deals for Waller Capital last year were the acquisition of the Multivision Group by James Communications and United Cable's acquisition of the Annapolis cable system from Prime Cable. Subscribers involved in deals represented by Waller Capital totalled 190,376 at an average value of $1,303 per subscribers.

The independent operator serving 500 to 5,000 subscribers has been the market Pat Thompson Co. has sought to serve, and this year that market has rewarded the firm well. Thompson saw the number of transactions completed

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December 1986

SOLD

Benchmark/Dale City Cable Fund Limited Partnership

The Cable System Serving Approximately 18,000 Primary Subscribers Located in the Towns of Woodbridge/Dale City, Virginia.

Has Been Acquired By:

Columbia International, Inc.

The Undersigned Represented the Seller.

Cable Investments, Inc.
5400 East Prentice Avenue, Suite 115
Englewood, Colorado 80111
(303) 793-3344

This notice appears as a matter of record only.
December 1986

A.C.I.
Has acquired
Daves Cable Co. Inc.
Serving Winona and several nearby communities in Mississippi

Sale represents 6,000 basic subscribers.

Gerry Zimmerman represented the sellers.

DANIELS
&ASSOCIATES
2930 E. Third Avenue
Denver, Colorado 80206
303/321-7550

Financial Services to the Cable Communications Industry.

	Inc.	*Benchmark Cable Fund, LP	7,000	10,300
Crisfield, MD	N/A	N/A		
Charlotte, NC	N/A	N/A	1,000	1,030
Totals			**239,342**	**440,585**

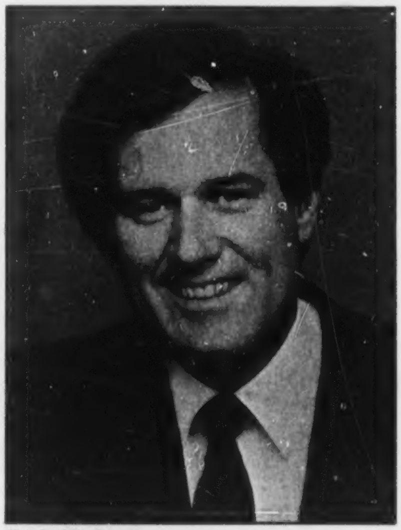
Charles Greene Associates

System Location	Buyer	Seller	Basic Subs	Homes Passed
Crabtree Hill & Wayne County, WV	Cable Systems USA Associates	*Vision Cable TV	200	250
Minden, LA	*TCA Cable TV Inc.	Cable TV Fund IX-C	3,697	6,000
Plymouth, Jamesville, Roper, Windsor, Conway, Columbia, Creswell, Severn, Woodland, Seaboard, Jackson, Kelford, Lewiston, Woodville, Rich Square, Roxobel, and Counties of Bertie, Martin, Washington, Tyrrell, curituck, Camden, & Northampton, NC	C4 Media Corp.	*Cable East Inc. & Cable South Inc.	5,300	9,821
Belfield & Beach, ND	Midcontinent Cable Co.	*Signal Cable TV Inc. & Gateway Cablevision Inc.	742	1,198
Hardin and Counties of Calloway & Marshall, KY	*C4 Media Corp.	Bluegrass Cablevision of Marshall Inc.	2,940	5,075
Lincoln and Burleigh County, ND	Midcontinent Cable Systems Co. of North Dakota	*Lincoln Cable TV Inc.	270	450
Ewing, Rose Hill, Gibson Station and Lee County, VA	Tele-Media Co. of the Cumberland Gap Ltd.	*Tri-State Cable Systems	612	900
Path Fork, Chenoa, Greasy Creek and Counties of Bell, Knox, Harlan, KY, and Clairborne, TN	Tele-Media Co. of the Cumberland Gap Ltd.	*Chained Rock Cablevision Co. Inc.	1,047	1,634
Edenton, Hertford and Counites of Chowan and Perquimans, NC	*C4 Media Corp.	Albemarle Cable TV Inc.	2,150	4,000
Lookout and Pike County, KY	Tele-Media Co. of Kentucky	*Williams CATV Cable Service	736	850
Wayne, Lavalette and Counties of Wayne and Cabell, WV	*Cable Systems USA Associates	West Virginia Cablevision Associates	1,879	2,300
St. Augustine, St. Augustine Beach and St. Johns County, FL	*Cablevision Industries Inc.	Jones Intercable Inc.'s Cable TV Fund VII A, B & C	14,800	25,643
Forest Acres, Lexington and Richland Counties, SC	Star Cable Associates	*Cable TV of Carolina Inc.	2,192	4,149
*Elgin and Kershaw County, SC	Star Cable Associates	Elgin Cablevision Inc.	581	1,352
Totals			**37,146**	**63,622**

Coaxial Capital

System Location	Buyer	Seller	Basic Subs	Homes Passed
Unincorporated areas of Pima County, AR	McCaw Communications	County Cablevision Corp.	1,100	3,300
Coronado Ridge, La Cholla, Sunrise and Green Valley, AR	McCaw Communications	Fairfield Communications	1,950	4,800
Belvedere, Harvard and Richmond, IL; Fontana, Williams Bay, Walworth, Sharon, Genoa City, Twin Lakes, WI	TCI	Community Cablevision	8,900	16,000
Kankakee, Aroma Park, Ashleum, Bradley, Bourbonnais, Clifton and St. Anne, IL	McCaw Communications	Kankakee TV Cable Co.	19,700	26,000
Clinton and Winchedon, MA	American Cablesystems	Wachusett Cablevision Inc.	6,800	9,400
Hilton Head, SC	McCaw			

NA denotes not available
*** denotes party represented by broker**



Rick Michaels

by the company more than double, while the value of those transactions reached a company record of $125 million. In its largest transaction last year, Thompson represented Tidel Communications in its acquisition of Storer's 36,000-subscriber Metro Communications properties in Washington State. More than 109,900 subscribers were represented in Thompson's deals which had an average value per subscriber of $1,254.

Another firm which has concentrated on the small operator market, Charles Greene Associates, also partook of that market's bounty last year. The value of its cable brokerage activity tripled, while the number of transactions rose 27 percent. The company represented Cablevision Industries in its acquisition of Jones Intercable's St. Augustine, Fl. systems. Average value per subscriber was $1,226 and the weighted average first year cash flow multiple was 12.7.

Tax bill crucial

One of the most significant factors in the systems market last year was the tax reform bill. On average, 40 percent of all the transactions completed by the major brokerage firms last year were completed during December. Daniels & Associates reported 30 percent of its transactions completed during that month, while CEA saw 44 percent of its deals close in December. As Coaxial Capital President Bruce Falkenberg noted, many people who were considering selling their cable systems were "stampeded into the market" during the last quarter of 1986. Noted Phil Hogue, president of the investment banking division at Daniels & Associates, "When the sellers were put in the position of wanting to expedite a transaction with a good price quickly, they turned to the brokers."

Interestingly, the impact of the tax bill on the rush to sell did not result in lower prices for systems. Instead, buyers felt increased competition for properties toward the end of the year, and thus they were willing to pay even higher prices, Falkenberg and others said.

At the root of the phenomenal market in 1986 lay low interest rates, the continuing availability of financing, the promise of deregulation and the perception that the convergence of these forces made this a unique time in the industry's history. Between the larger MSOs that two years ago launched acquisition campaigns designed to position them for the future and newer mid-sized and small MSOs that have newfound access to prolific financial markets, the number of well-financed buyers continued to grow. Meanwhile, the pressure on independent operators to sell out and take advantage of this unique opportunity increased. The dynamics between these groups fueled the market in terms of the number of transactions that were made available, and because the number of interested buyers consistently outdistanced the number of sellers, prices continued to rise.

Brokers generally agreed that in terms of price appreciation the most valuable properties continued to be larger systems in rapidly growing markets in California, Florida and other selected areas of the Sunbelt. Prices already are $2,000 per subscriber in high growth areas such as Florida,

Pat Thompson

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SOLD

Benchmark Cable Fund Limited Partnership

The Cable Systems Serving Approximately 7,000 Primary Subscribers in the Towns of Greer, South Carolina; Chincoteague, Virginia; and Crisfield, Maryland.

Has Been Acquired By:

Columbia International, Inc.

The Undersigned Represented the Seller.

Cable Investments, Inc.

8400 East Prentice Avenue, Suite 1115
Englewood, Colorado 80111
(303) 793-3344

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Bresnan Communications Inc.
Has acquired
Gerity Cablevision
Serving Bay City and Midland, Michigan

Sale represents 32,000
basic subscribers.

Hugh McCulloh
represented the buyers.

DANIELS
& ASSOCIATES

2930 E. Third Avenue
Denver, Colorado 80206
303/321-7550

Financial Services to the Cable Communications Industry.

	Communications	Plantation Cablevision	12,800	17,000
18 Communities in WA	McCaw Communications	Harbor Videocable	13,000	16,075
28 Communities in WI & MN	Wisconsin Cablevision	Norcom Cable Investors	9,100	14,200
Totals			**73,350**	**106,775**

Communications Equity Associates

System Location	**Buyer**	**Seller**	**Basic Subs**	**Homes Passed**
Soperton, GA	TeleScripps Cable Co.	*Cablevision of Soperton Inc.	885	1,022
Belle Glade, Pahokee, South Bay & surrounding Palm Beach City, FL	Cablevision Industries of Liberty, NY	*Sunbelt Cable Ltd.	5,700	8,900
Bowling Green, FL	Centel Cable Television Co.	*Bowling Green Cable TV Inc.	248	765
Franklin, NC	*Essex Eight-Five Two Corp. (Ltd. Ptnrshp.)	Macon Cablevision Inc.	2,080	2,800
Fallon and Yerington, NV	Columbia Associates Ltd.	*Certain assets of Group W Cable	3,745	4,389
Columbia County, FL	*Certain assets of Mickelson Media Inc. of Santa Fe, NM	Free's Telecommunications Inc.	550	625
Hauser Polk County, FL	*Tarlen Communications of Coquille, OR	Dunes Cable T.V.	275	540
Eastern Polk County, FL	Centel Cable Television Co.	*Kennedy Cable of Florida Inc.	2,000	4,321
Ash Flat, Viola and Horseshoe Bend, AR	Community TV Cable Co.	*Clef Communications Inc.	850	1,600
Princeton, Wyanet and Tiskilwa, IL	Enstar Communications Corp.	*Princeton Cable TV	3,700	4,120
Ashdown, Foreman and Little River County, AR	Enstar Communications Corp.	*Ashdown Cablevision Inc.	2,080	3,500
Silverton & Mt. Angel, OR	Falcon Cable Systems Co.	*Silverton Cable TV Co. Inc.	1,043	2,500
Kentucky, OH and Tennessee	First Carolina Communications Inc. of Rocky Mount, NC	*Matrix Enterprises Inc.	42,000	94,436
Sisters, OR	Mountain Cable Television Inc.	*Sisters Cable TV Co.	436	500
Caldwell, Christian, Crittenden, Hopkins, Livingston, Todd, Trigg, Counties, KY and Stewart County, TN	C4 Media Corp. of Vienna, VA	*Tomberlin Technology Inc.	7,200	13,000
Mumfordville, Tompkinsville, Albany, Edmunton and Burkesville, KY	C4 Media Corp.	*Mid-Kentucky Cable TV Co.	3,232	4,500
Walla Walla and College Place, WA	McCaw Communications Companies Inc. of Bellevue, WA	*Certain assets of Group W Cable	9,235	14,869
Milton-Freewater & parts of Umatilla County, OR	McCaw Communications Companies Inc.	*Twin Village Cable Co.	1,700	2,200
Plattsburgh, Plattsburgh AFB & nine contiguous towns in NY	James & Associates	*Certain assets of Gateway Cablevision Corp.	12,500	18,300
Princeton, KY	*C4 Media Corp.	Certain assets of Horizon Tele-Communications Inc.	1,450	3,165
Inglewood and Pomona, CA	American Cablesystems Corp.	*Inglewood Cable TV & Pomona Cable TV	10,200	56,500
Carson, CA	American Cablesystems Corp. of Beverly, MA	*Carson Cable Television Co.	5,800	19,000
Marion & Marion County, OH and Oceanside & Camp Pendleton, CA	*Trader: Times Mirror Cable Television of Delaware County Inc.	*Trader: Community TCI of Ohio Inc. & TV Power of North County Inc.	73,000 +	130,000 +

NA denotes not available
* denotes party represented by broker

noted Waller Capital President John Waller. As businesses move into these areas and the demographics improve, buyers figure potential subscribers will have more disposable income, which will translate into higher penetration rates and higher revenues, noted Harold Ewen, president of Communications Equity Associates. Moreover, any "fair-sized" system of 5,000 subscribers or more has increased dramatically in value over the last two years, said Ewen, as a function of deregulation. Systems in Pennsylvania, for example, which has been a highly regulated state, have done extremely well in the last two years as operators there realized they could increase their rates.

Still trailing the market in escalation of price have been classic cable systems, which are characterized by already high penetration rates and lower demographics. Revenue-per-subscriber increases are limited to the extent that the existing subscriber base is accustomed to certain rates and levels of service. Yet Waller noted that these types of systems fit in well with the new income funds and thus there should be a good market for classic systems this year.

Wide range

Prices in 1986 generally averaged between $1,200 and $1,300 per subscriber, brokers agreed. There was substantial divergence among classic cable systems with averages of $900 to $1,200 per subscriber, according to Pat Thompson, president of Pat Thompson Co. By contrast, she said, large or under-developed systems usually sold for over $1,500 per subscriber.

Because more subscribers are involved in the larger transactions, which tend to be more expensive, those transactions push the overall average up, brokers said. "We've had some pretty strong transactions at $1,700 to $1,800 per subscriber as in the case of Wometco and Storer's California properties," noted Hogue.

These strong per subscriber prices were also reflected in the average projected first year cash flow multiple paid for systems last year. Most brokers agreed that average ranged from 10.5 to 11.5, although Pat Thompson Co. and Charles Greene Associates both reported average cash flow multiples above 12 on their transactions. Even at 10.5 to 11.5, said Phil Hogue, that multiple "would represent a pretty high plateau."

The players involved in this increasingly expensive game were multifold, from large, aggressive, MSOs such as TCI, ATC and Comcast to new, publicly-financed income funds such as Cencom Associates, and individual entrepreneurs like Bill James of James Communications. While the impact of a deal the size of Group W or United Artists cannot be underestimated, the depth and breadth of the strong cable market was evident in the prolific activity below that level.

In fact, several brokers argued that it was the intermediate and small MSOs that pushed the market along last year rather than the more traditional players. Brokers cited companies such as C4 Media, Cablesystems USA, Falcon Cable, Tele-Media, Northland Communications, First Carolina Communications, and numerous others as very active in the market last year. "I could name half a dozen others just like that," said Charles Greene, president of Charles Greene Associates, who represented C4 Media on four transactions last year.

John Waller

High cash flow

Where the larger MSOs concentrated was on transactions that required even larger cash flows and financial acumen than might be available to the smaller companies. "Many MSOs are generating a lot of cash flow, which translates into a lot of buying power," noted Ewen. Major transactions for these companies included the Group W acquisition by five MSOs, TCI's acquisition of United Artists Communications, and Jones Intercable's purchase of the Tribune cable systems.

What all of these companies had in common last year was access to the capital markets. Companies across America have better access to a variety of financial tools these days, but as alternative investments such as real estate

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December, 1986

SOLD

TCA Cable TV, Inc.

Has Acquired Through Merger All the Outstanding Stock of

Sun Valley Cablevision Inc.

The Cable System Serving Approximately 6,300 Primary Subscribers Located in the Towns of Bellevue, Hailey, Ketchum and Sun Valley, Idaho.

The Undersigned Acted As Financial Advisor to the Stockholders of Sun Valley Cablevision Inc.

Cable Investments, Inc.
8400 East Prentice Avenue, Suite 1115
Englewood, Colorado 80111
(303) 793-3344

This notice appears as a matter of record only.
December 1986

An affiliate of

Gilbert Media

Has acquired

Connection Communications Corp.

Serving Newark, New Jersey

Sale represents 25,000 basic subscribers.

Hugh McCulloh represented the sellers.

DANIELS
& ASSOCIATES
2930 E. Third Avenue
Denver, Colorado 80206
303/321-7550

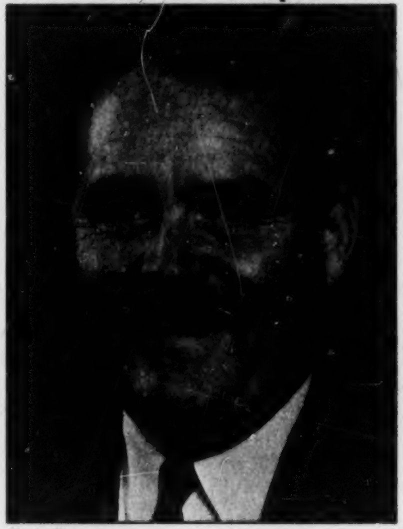
Financial Services to the Cable Communications Industry.

Las Vegas, North Las Vegas, Henderson, Boulder City and Parts of Clark County, NV	Herman M. Greenspun & G.C.A. Associates Ltd. Partnership	*Times Mirror Cable Television of Nevada, Inc.	62,000 +	215,000
Collingwood, Loretto, Iron City, St. Joseph & Westpoint, TN	The Essex Companies of Greenwich, CT	*Tennessee Valley Video Inc.	1,325	1,825
Hammond, Amite, LA	*McDonald Group of Birmingham, AL	Jones Group	11,400	16,425
Packwood and Lewis County, WA	Summit Communications of Bellevue, WA	*Klickitat Cable Inc.	450	1,008
Little Rock AFB, Cabot, Austin, Ward & Lonoke County, AR	Buford Television of Tyler, TX	*Cable Arkansas & Satellite Systems Corp.	3,400	6,595
11 franchises in TX	Kamack Corp.	*Certain assets of Star CATV Investment Corp.	3,880	8,116
Portions of Horry County, SC	Par Cable Inc.	*Little River Cable T.V.	250	550
Oldsmar, FL	*Vision Cable Communications of Syracuse, NY	East Lake Woodlands Ltd.	2,020	NA
Liberty, Dunnville, Hustonville and Moreland, KY	Cumberland Valley Cable TV Company of Somerset, KY	*Casey County Cablevision Inc.	1,570	2,500
Fresno, Marysville, Yuba City, Visalia & Tulare, CA & suburbs of Reno, NV	A subsidiary of Continental Cablevision Inc.	*McClatchy Newspapers	92,000	206,124
Byron, Centerville, Forsyth & Gray, GA	*Central Georgia Cable Systems Ltd.	*Certain assets of CATV & Communications Service Co. and Watson Communications Inc.	5,500	9,400
Veneta, Noti, Elmira, Vaughn & unincorporated portions of Lane County, WA	McCaw Cablevision of Cottage Grove Inc.	*Lane County Cablevision	1,425	2,100
Highlands & Cashiers, NC	Northland Cable Properties Six L.P. of Seattle, WA	Highlands & Cashiers Community Cable Television	1,300	2,800
South Central & West Central Illinois Communities	C-4 Media Corp.	*County Cablevision Development I & II	3,170	8,646
Liberty, NC	*Tele-Media Corp.	Cablevision of Liberty	300	800
Eloy, Heber and Superior, AZ	Empire Communications Inc.	*Certain assets of Arizona Cable TV Inc.	1,100	3,600
Texas, Missouri and Oklahoma	Falcon Communications Inc.; Tempo Cable; and TCI	*Cardiff Communications Inc.	28,000	43,000
Jay, Black Brook and Wilmington, NY	James Communications Inc. of Bloomfield Hills, MI	*Ausable Communications Inc.	850	1,470
Morton, Forest, Raleigh, Carthage, Kosciusko and Philadelphia, MS	Northland Communications Corp. of Seattle, WA	*Scott Cable TV Co. Inc.; Central Cable TV Co. Inc.; Seemore TV Inc.; and Clear Vision TV Company of Kosciusko	10,000	13,000
Pax, WV	Tele-Media Corp. of State College, PA	*Janney Cable TV Co.	NA	NA
Roscoe and surrounding areas of Winnebago County, IL	American Television & Communications Corp.	*Roscoe Cablevision	1,200	1,900
Denton and Davidson County, NC	*Tele-Media Corp. of State College, PA	Carolina Satellite Television Inc.	275	NA
Morganfield, KY	Union CATV Inc.	*Certain assets of Cumberland Valley Cable TV Co.	1,400	NA
West Virginia and Pennsylvania	Cable Systems USA Associates L.P.	*TCI Media of West Virginia	1,563	2,041
Mount Carmel, IL	Enstar Communications Corp.	*Midwest Cable Inc.	2,550	5,600
MacDill AFB, Tampa, FL	Cablevision Industries	*R & E Electronics Inc.	1,250	2,000 +
Chatham County and Effingham County, GA	American Television & Communications Corp.	*West Chatham Cablevision; Cablevision of Effingham	6,500 +	11,000
Elizabethtown, Westport, Lewis, and Long Lake, NY	James Communications Inc.	*Cosmic Cable of Essex County Inc.	758	1,185
Vanceburg, KY and certain unincorporated areas of Lewis County	Century Comm. Corp.	*L.C. Cablevision Partners	1,529	2,160
Calais, Baileyville, Woodland, Baring & Princeton, ME	United Video Cablevision of Maine			

NA denotes not available
*** denotes party represented by broker**

and oil and gas have lost their allure, more and more money has poured into cable television, noted brokers. The proliferation of master limited partnerships, income funds, junk bonds, and new equity issues in the cable television industry are evidence of the industry's attraction as an investment vehicle. And it also demonstrates the industry's coming of age financially, said John Waller. "The smaller and medium-sized MSOs have been growing through these outside sources of financing," said Waller, "and they have been driving the prices."

Several brokers also pointed to the income funds and blind pool media funds as a major impetus to the market last year. "There was a lot of other people's money buying" cable last year, said CEA Chairman Rick Michaels. As several brokers noted, some of these investment vehicles are driven by considerations other than the economics of the deal, such as management fees and upfront fees that increase with the number of subscribers under management. They said that this has allowed these funds to pay prices that most established cable operators would not countenance. Moreover, the funds have been driven to win bidding contests and make acquisitions by the fact that once the money has been collected in the fund, it may sit in a bank CD collecting only 5 percent to 6 percent interest until it is invested in the cable market. The longer it goes without being invested, the harder it becomes to meet the fund's promised return of 8 percent or 9 percent to its investors.



Bob Brown

While Daniels' Hogue conceded that in individual transactions the impact of these funds might have been to drive the prices up, he argued that their impact on the overall market has not been "enough to create a material bump in prices." While the funds are important in assessing the stream of financing for companies that are interested in growing, he said, the fundamentals of the business are more important in understanding the strength of the cable market. Those fundamentals are decidedly positive and they are evident not only in the desire by companies already in the business to continue to grow, but also in the desire by those outside the industry to become a part of the business.

Continuing strength

In assessing whether the 1987 market will be as strong as 1986, brokers cited the foregoing fundamentals as key to continuing the momentum built up by the market of '86. The last two years have seen an environment marked by a proliferation of buyers confident in their ability to take advantage of the new age of deregulation and the wide availability of cheap financing. While some brokers feel that the supply of systems on the market is an ever-diminishing commodity, brokers have been successful in prying cable systems loose from long-time independent operators over the last two years, aided by the continuing record-high prices being paid by the buyers. As long as interest rates remain low, the number of buyers outpaces the number of sellers, rate increases go through smoothly, and Washington does not do anything "really negative," in the words of Charlie Greene, most brokers said they felt the dynamics are in place for a continuation of the active, high-priced market of the last two years.

Most conceded that the effects of the tax law change will always make 1986 a unique and "wonderful" year, as Pat Thompson put it. What is significant, according to most brokers, is that the flood of transactions that occurred in December has not seriously eroded the market during this first quarter of 1987. None of the brokerage concerns reported a softening in prices, and some of them said they had as much in the pipeline during January as they had in January 1986. "Taking the perspective of our firm, we don't see a lot of difference between the first quarter of 1987 and the first quarter of 1986," said Bob Brown, chairman of Cable Investments, Inc.

Even though independent operators are a "diminishing commodity," said Brown, he sees a continuing supply of systems onto the market from limited partnerships that are restructuring, from small and medium-sized MSOs

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SOLD

Fern Ridge CableVision, Inc.

Serving the Town of Alvadore, Oregon and Environs.

Has Been Acquired By:

TCI of Oregon, Inc.

The Undersigned Represented the Seller.

Cable Investments, Inc.

8400 East Prentice Avenue, Suite 1115
Englewood, Colorado 80111
(303) 793-3344

This notice appears as a matter of record only.
December 1986

Cable Systems USA Inc.

Has acquired

Reynolds TV Cable Service

Serving Sandy Lake, Stoneboro & Utica, Pa.

Sale represents 700
basic subscribers.

Marc Weisberg
represented the sellers.

DANIELS
& ASSOCIATES

2930 E. Third Avenue
Denver, Colorado 80206
303/321-7550

Financial Services to the Cable Communications Industry.

	Inc.	*American Cablesystems Associates	2,201	2,718
Mt. Carmel, IL	Enstar Communications of Atlanta, GA	*Midwest Cable Inc.	2,550	3,200
25 Illinois communities	Cencom Cable Associates of Chesterfield, MO	*South-Western Cable Associates Ltd.	29,000	NA
Palm Beach, Martin and St. Lucie Counties, FL	Centel Communications Co.	Perry Cable TV Corp.	100,000	NA
Rockport, IN; Whitehorse, TN; & Hawesville, Calhoun, Livermore, Cloveport & Hardinsburg, KY	Tele-media	*Midwest Cable Inc.	2,850	NA
MacDill Air Force Base, FL	Cablevision Industries	*R&E Electronics	1,250	NA
New Jersey	Sammons Comm. Inc.	*Cablentertainment	NA	NA
Ohio	Tele-Communications Inc.	*Cablentertainment	NA	NA
Morgantown, WV	Century Communications Inc.	*Cablentertainment	NA	NA
West Virginia I	Cable Systems USA Associates	*Cablentertainment	NA	NA
West Virginia II	Cable Systems USA Associates	*Cablentertainment	NA	NA
Virginia	Bachow & Elkin Inc.	*Cablentertainment	NA	NA
Pennsylvania	Adelphia Communications Inc.	*Cablentertainment	NA	NA
Totals			**179,000**	**969,315**

Daniels & Associates

System Location	**Buyer**	**Seller**	**Basic Subs**	**Homes Passed**
Porter County, OH	Lakeshore CBVN	*Consolidated Comm. Corp.	10,250	20,000
Big Rapids, MI	TCI/Taft	*John White	2,200	3,400
North Ridgeville, OH	Continental CBVN	*Group W	6,000	11,048
Sumiton/Warrior, AL	Cheaha CBVN	*Barry & Enright	2,896	6,700
Espanola, NM	Leonard Comm.	*Mercure Telecomm.	2,500	5,800
Mono/Inyo, CA	West Star Comm.	*Summit Communications	5,000	6,300
Faith/Newell, SD	Midcontinent	*Custom Cable Systems	765	1,147
Portsmouth, OH	Century Comm.	*Group W	17,000	21,000
Holiday, TX	ATC	*Mercure Telecomm.	285	600
Cambridge, MN	Citation Cable Systems	*Combined Cable	2,600	6,600
Brunswick, OH	Shamrock/Cable Management	*Brunswick Cable Assoc.	5,900	9,630
Palacios, TX	Community Cable of TX	*Palacios Cable TV	1,560	2,000
Hondo, TX	Community Cable	*Via Cable	1,500	2,200
Ft. Wayne, IN	Comcast Corp.	*Citizens Cable Systems	47,000	98,000
Stratton, CO	Metro Cable Corp.	*Custom Cable Systems	190	300
NC & SC properties	Northland Comm.	*Daniels & Associates Inc..	16,000	28,600
Evanston, WY	Century Communications	*Donrey Media	2,850	4,200
Playa del Rey, CA	*American Cablesystems	Barry & Enright	11,000	31,000
Tribune properties	Jones Intercable	*Tribune	155,722	318,000
Trenton, NE	Manessa Corp.	*Custom Cable Systems	173	500
Manistique, MI	Wisconsin Cablevision	*Manistique TV Cable Co.	2,000	2,252
Clark County, IN	Insight Comm.	*I.R./Daniels	15,000	31,000
Hoboken, NJ	*Sutton Capital Assoc.	Prime Cable Corp.	25,000	45,000
Chicamauga, GA	Daniels & Assoc. Inc..	*Cable Holdings	10,200	16,250
Dearborn, MI	Cablevision Industries	*Group W	21,500	41,750
Wilton/Durant, IA	Heritage Comm.	*Wilton/Durant Cablevision	891	1,729
Silt/Talbot, CO	Cable USA Inc.	*Metro Cable Corp.	411	814
Central OK	Communication Sys. Inc.	*Cablevision Systems Inc..	4,802	7,028
Richmond, MI	Harron Comm.	*Citation Cable Systems	1,100	2,000
Angola, IN	Triax Cable	*TCI	2,714	7,025
Kitsap/Mason, WA	Olympic Cable TV Ptrs.	*Olympic TV Cable	13,600	22,900
Grampian et al, PA	Cable Systems USA	*Country Cable Ltd.	790	1,138

NA denotes not available
* denotes party represented by broker

that will sell out to larger companies. And "we may even see another top 50 go," he said, referring to a company such as McCaw Communications.

In fact, several brokers said they believe conditions are ripe for several large transactions to come onto the market this year, although they declined to discuss which companies they believed might be ready to exit the business or sell large chunks of their subscriber bases. Considering the demand for large systems and the premium they command, brokers generally echoed the sentiments of Tom Puckett, chairman of Hardesty, Puckett, Queen & Co. when he stated, "We feel the market is ripe for a large number of transactions, and a number of 200,000-subscriber transactions. I think we'll see a 1987 that surprises the industry as far as the volume of deals."

John Waller and Bob Brown both cited continuing high prices as key to maintaining conditions for a large number of transactions this year. Independent operators still own 40 percent of the subscribers, said Waller, and as another broker noted, the job of convincing them that "it's not going to get any better" will not be difficult. "It's the irresistible profit motive," noted Cable Investments' Brown.

High prices

Prices should stay high, said brokers, considering the large number of interested buyers and the potential for new entrants into the field. The financial success of the industry has lured back former cable entrepreneurs such as Jack Kent Cooke and attracted new entrepreneurs such as Robert Bass. "These are major players that are capable of coming in on a very material basis," noted Daniels' Hogue.

Brown also noted that as the dollar continues to fall, the industry is likely to attract increasing foreign interest. Cable does not have the foreign ownership rules that broadcasting does, and so it presents an opportunity for those outside the country interested in participating in the media here in the U.S., Brown said.

Most brokers said prices will rise slightly this year, with Bob Brown predicting a step up in the cost of acquisition of between 5 percent and 10 percent. If the tax changes are effective in motivating potential sellers to hold on to their properties until 1988 when rates will be lower than this year, as Harold Ewen sees it, the pressure on prices could intensify.

Others see the effects of the tax law softening the market somewhat. Some brokers said they have seen a lull in activity in January, as deals that might have been concluded early in 1987 were pushed forward into December 1986. As a result, Rick Michaels said, "some people feel (prices) might drift downward." If prices do decline, he predicted the dip would be less than 15 percent.

Bruce Falkenberg also cautioned that markets have a tendency to change very rapidly just as has happened with the independent television station market. "I suspect the same thing could happen to cable," he said. Factors that could induce such a change range from resistence to price increases on the part of consumers to changes in the regulatory environment.

Moreover, even while the market may stay strong, there are limits to what buyers can pay and still reimburse their lenders or investors, noted several brokers. "We think the price plateau will be established in 1987," Daniels & Associates wrote in a recent newsletter. Buyers have already taken into account the benefits of deregulation and other favorable industry trends, according to the newsletter, and "a lot...are setting price ceilings." In fact, prices may pause in the near-term as the effects of deregulation on cable subscribers are gauged, said several industry observers.

Even Phil Hogue, who is extremely bullish on 1987, noted that the number of transactions in 1987 will not likely reach the level of 1986. The 1986 increase in transactions compared to 1985 was 45 percent. "My feeling is that 1987...will be an extension of the 1984 and 1985 (trend), both of which were record years. That means it will be awfully active," he said. Just not quite as active as 1986. ■

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Firstmark Financial

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110 E. Washington Street Indianapolis, IN 46204
(317) 262-5858

Please visit us at the Texas Cable Show at the Marriott on the Riverwalk.

NOTES

Acquisitions

Star Cable closes four acquisitions

CORAOPOLIS, PA—Star Cable Associates closed the acquisition of four cable TV systems recently. Bent & Associates Inc. will serve as the management company for the newly acquired systems.

The systems acquired are HRS Community Antenna Service Inc. of Lydia, La., with 1,050 homes passed and 729 subscribers; Evangeline Cable Television Inc. of Ville Platte, La., with 6,578 homes passed and 3,200 subscribers; Elgin Cablevision Inc. of Elgin, S.C., with 1,352 homes passed and 581 subscribers; and Cable TV of Carolina Inc. in Columbia, S.C., with 3,937 homes passed and 2,183 subscribers.

These latest acquisitions bring the total number of subscribers now managed by Bent & Associates to more than 20,000.

Arvig Enterprises acquires two Minnesota systems

DENVER—Arvig Enterprises Inc. has acquired two Minnesota cable systems serving about 5,600 basic subscribers from Cablevision Inc. of Midwest, Minn., and Lakeland Cablevision Inc.

The system serving Barnesville, Minn., passes approximately 800 homes with 12 miles of plant and services 500 basic and 160 pay-TV subscribers. The other system acquired serves Detroit Lakes, Perham, Frazee, Battle Lake, Henning, Lake Park and Audobon, Minn. It passes 6,500 homes with 75 miles of plant and has approximately 5,100 basic subscribers and 1,050 premium subscribers.

Marc Weisberg, vice president for Daniels & Associates, represented the seller.

Cable Systems USA acquires Pennsylvania system

DENVER—Cable Systems USA Inc. has acquired Reynolds TV Cable Service serving Sandy Lake, Stoneboro and Utica, Pa., The system has approximately 700 basic subscribers and 180 premium customers and passes some 750 homes with 11 miles of plant.

Marc Weisberg, vice president for Daniels & Associates, represented the sellers. Terms of the transaction were not disclosed.

Vantage Cable purchases Holiday Cablevision

DENVER—Vantage Cable Inc. of Des Moines, Iowa, has acquired Holiday Cablevision.

The system passes approximately 6,600 homes with some 120 miles of plant, and serves 3,650 basic and 1,600 pay-TV subscribers. The system serves the communities of New Hampton, Nora Springs, Manly, Greene, Sheffield, Rockwell, Rockford, St. Ansgar, and Allison, Iowa, and Wells, Minn.

Marc Weisberg, vice president for Daniels & Associates, represented the sellers. Terms of the transaction were not disclosed.

First Pic completes sale to Insight Communications

LOUISVILLE, Ky.—Partners in Communication, the owner and operator of First PIC Cable Television, has completed the sale of the Utica, Ind., system to Insight Communications.

The township of Utica will eventually be served by Clark County Cable, headquartered in New Albany, Ind. Insight acquired Clark County Cable from Daniels Communications in 1986. The First PIC system served Utica, portions of Clark County and the U.S. Army Ammunition Plant in Charlestown, Ind.

First PIC currently owns and operates cable television systems in Michigan, Indiana, Kentucky, Florida and Alabama.

Wisconsin Cablevision buys Norcom Video properties

MADISON, Wis.—Wisconsin Cablevision has purchased the cable TV properties of Norcom Video Investors. The systems serve 9,000 customers near Wautoma, Spencer, Adams-Friendship, St. Croix Falls and suburban Madison, Wis.

Five other properties have been purchased from Lon Rosado and O.D. Miller. These systems, located in Berlin, Montello, Green Lake, Princeton and

Buffalo, NY	Adelphia Comm.	*Prime Cable Corp.	126,000	188,000
Rosebud, TX	Daniels & Assoc. Inc..	*Northland Comm. Inc.	330	750
TN Properties	Rifkin & Associates	*PBL Telecommunications	13,500	21,900
TN Properties	Rifkin & Associates	*National TV Cable	28,500	39,000
Louisiana Group	Leonard Communications	*Communication Services Inc.	6,100	7,000
Princeton, NJ	C-Tec Corp.	*Prime Cable Corp.	3,800	7,200
Union Gap, NJ	C-Tec Corp.	*Union Gap Cable	393	439
New Orleans, LA	Cox Communications	*Minority Partners	15,700	38,780
Independence, MO	Jones Intercable	*Sutton Capital Assoc.	50,000	100,000
Longview, WA	Century Communications	*Persis Corp.	19,500	24,500
Breckenridge, CO	United Video	*Bruce Plankinton	5,000	6,500
Edgepoint, TX	NA	*Weiss Cable Partners	577	1,700
Ft. Kent, ME	United Video	*Fundy Cablevision	3,035	3,300
Mammoth Lakes, CA	King Video	*Mammoth Lakes Electric	6,100	6,400
Giles County, VA	*Cable Systems USA	Clearview Cable	1,000	2,000
Holiday, IA	Vantage Cable Inc.	*Holiday Cablevision	3,650	6,600
Sandy Lake, PA	Cable Systems USA	*Reynolds TV Cable	700	1,000
Bay City/Midland, MI	*Bresnan Communications	Gerity Cablevision	33,000	50,000
LA/CA properties	Daniels & Assoc. Inc..	*Group W	33,500	56,000
Detroit Lakes, MN	Arvig Enterprises	*Lakeland Cablevision	5,600	7,200
Newark, NJ	Gilbert Media	*Connection Comm. Corp.	25,000	84,000
N. Central, MS	ACI	*Daves TV Cable	6,000	7,215
Giles County, VA	Cable Systems USA	*New River Valley	1,800	5,000
Calif. properties	Century Communications	*Group W	137,500	275,000
MN Properties	Houser Communications	*Group W	35,000	80,000
Newport News, VA	Daniels & Assoc. Inc..	*Tribune Affiliate	38,000	64,900
Lake Samish, WA	TCI	*Lake Samish Video	305	435
Berthoud, CO	NA	*Skyline Cable	260	1,000
Calif. properties	ML Media	*Storer Communications	93,400	155,600
Calif. properties	Western Communications	*Storer Communications	56,400	70,500
Caribou, ME	United Video	*Tel-Tech	2,975	3,850
Bayfield/Crede, CO	Pagosa Vision	*Custom Cable Systems	410	500
Oakland County, MI (prt.)	United Cable	*Multi-Cablevision	720	1,413
Huntington, NY	Cablevision Sys. Corp.	*John Hancock	12,000	44,000
Totals			**1,167,684**	**2,132,593**

Frank Boyle & Co.

System Location	Buyer	Seller	Basic Subs	Homes Passed
Sterling, IL	*JJS Comm/TCI	Rock Island Broadcasting	10,000	13,200

Hardesty, Puckett, Queen & Co.

System Location	Buyer	Seller	Basic Subs	Homes Passed
North Bend, NE	Scope Cable	*North Bend Cable TV	200	411
Albany, Bethany, Cameron, Carrollton, Excelsior Springs, Henrietta, Marceline, Norborne, Richmond and Salisburg, MO; Baldwin City, Edgerton and Wellsville, KS; Cullen, Springhill and Vivian, LA	C4 Media Mid-America II L.P.	*W. W. Communications	12,600	21,900
Malden and Campbell, MO	Enstar Communications	*Cotton Hill Cablevision	2,900	3,500
Bokchito, Bumcombe Creek, Caddo, Calera and Colbert, OK	Empire Comm. of OK	*Universal Telecommunications Inc.	1,100	2,050
Billings, Duneweg, Duquesne,				

NA denotes not available
* denotes party represented by broker

Rogersville and Seymour, MO	C4 Media Mid-America II L.P.	*Ozark Communications Inc.; Genesis Comm. Inc.; and D & D Cablevision L.P.	850	2,400
Centertown, Lohman, St. Martins, Wardsville and areas of Cole County, MO	Cole County Cablevision Inc.	*First Cable & Land Corp.	2,200	3,500
Mansfield, MO	C4 Media Mid-America II L.P.	*Wright Communications	145	600
Bennington, Clifton, Clyde, Delphos, Enterprise, Glasco, Milford, Miltonvale, Minneapolis, Riley, Sabetha, Seneca, Solomon and Wakefield, KS	Empire Cable of Kansas Inc.	*Cardiff Cablevision	5,200	6,950
Blue Water, Onaga and Waterville, KS	Empire Cable of Kansas Inc.	*Blue Water Cable Inc.	835	1,200
Stock Redemption	Empire Cable of Arizona Inc.	*Kiner Cable Inc.	2,500	NA
Mt. Vernon, Miller, Cabool, Ash Grove, Walnut Grove, Ava and Willard, MO	C4 Media Mid-America II L.P.	*Semo Communications Inc. and Quality Cable Corp.	2,500	5,000
Osage Beach, Camdenton and Lake Ozark, MO	Sun Country Cable Partners	*Midwest Diversified Communications	3,700	6,100
Alba, Carl Junction, Cassville, Crane, Diamond, Exeter, Golden City, Granby, Greenfield, Jasper, Kimberling City, Liberal, Lockwood, Mulberry, Neck City, Oronogo, Purcell, Purdy and Sarcoxie, MO	*C4 Media Mid-America II Limited Partnership	Citivision Inc.	5,000	NA
Johnson County, KS	*Suburban Cable Properties Inc.	Marque II Enterprises	600	1,000
Jackson County, MO	*Suburban Cable Properties Inc.	MIS-TV Inc.	1,900	3,165
Wathena, KS; Gower, Plattsburg and Maysville, MO	Falcon Cablevision	*St. Joseph Cable Communications	1,150	2,200
Hermitage, Humansville, Weaubleau, Wheatland and surrounding areas, MO	Sun Country Cable Partners	*First Cable & Land Corp.	2,500	3,500
Salem, MO	Wheelers Inc.	*Dent County TV Cable System Inc.	2,600	3,100
Butler, Archie, Appleton City, Lowry City and Osceola, MS	C4 Media Mid-America II L.P.	*Butler Cablevision Inc. and Indesat Inc.	2,200	3,250
Vian, Gore, Porum and Webber Falls, OK	Cable TV of Fort Gibson Inc.	*Casa de Oro Auto Supply Inc.	750	1,450
Rosedale and Shaw, MS	Horizon Cablevision of Mississippi	*Fowler Master Antenna Systems Inc.	775	1,640
Tonopah, NV	Empire Communications Inc.	*Tonopah TV Inc.	1,100	1,400
Lexington, Fayette, Glasgow, Brunswick, Wellington and Armstrong, MO	*Cable-Video Enterprises Inc.	Fayette Cablevision Inc.	2,400	4,000
Chicago, Illinois area	Dorn Communications Inc.	*Par Cable Inc.	500	2,550
Oswego and Galena, KS; Picher, Quapaw and Cardin, OK	C4 Media Mid-America II L.P.	*Jerico Cable TV	1,550	3,600
Paola, Osawatomie, Spring Hill, Louisburg and LaCygne, KS and Drexel, MO	Topeka Cablevision Fund, L.P.	*Cable TV of Paola Inc.	3,900	6,410
Anderson and Goodman, MO	C4 Media Mid-America II L.P.	*Cable Systems Inc.	550	800
Ironton, Pilot Knob, Arcadia, Fredricktown, Lesterville, Centerville and Annapolis, MO	Falcon Communications	*Ozark Community Cable TV, TPG Enterprises and Ozark Cable TV Inc.	3,200	4,200
Totals			**65,405**	**95,876**

Henry Ansbacher

System Location	**Buyer**	**Seller**	**Basic Subs**	**Homes Passed**
San Jose, CA	Gill Cable-1/2	*Heritage Communications	55,000	125,000

NA denotes not available
*** denotes party represented by broker**

Anchorage, AK	Multivisions of Anchorage
Monroe, WI	Total TV of Monroe
Tacoma, WA	*Cable TV of Puget Sound
Orofino, ID	*Clearwater Comm. of Idaho
Totals	

Pat Thompson

System Location	**Buyer**
Gunnison County, Mt. Crested Butte, Riverbend, Skyland, CO	*Rock & Associates
Tremeonton, Garland, UT	WATCH-US Communications Inc.
Arizona City, Toltec City, Eloy, AZ	Empire Comm. Inc.
Pound & portions of Wise County, VA; Williamson, Kermit, WV; Fleming, Jackson, McRoberts, Neon, Payne Gap, Aflex, So. Williamson, Turkey Creek, Stone, Huddy, McAndrews, KY	*Cable Systems USA Associates
Crane, Fogerton, O'Neida & portions of Leslie & Clay Counties, KY	*Communications Corp. of America
Flat Lick, Bimble, Hinkle, Walker, Scalf, Himyar, Rockhold, Faber, Woodbine, & portions of Knott County, Whitley County, KY	*Communications Corp. of America
Ovieda and Counties of Orange & Seminole, FL	Cablevision Industries
Port O'Conner, Seadrift, Corpus Christi Naval Station, Georgewest, Orange Grove & Chase Field Naval Air Station, TX	TCI
Bonanza, Malin, Merrill, Chiloquin, OR; Tulelake, Dorris, Willow Creek, Happy Camp, Cedarville, Fall River Mills, Herlong, Calipatria, CA; Belt, Chester, Dutton, Sun Prairie, Vaughn, MT; Beaver, Parowan, Panguitch, UT	Mountain Side Cable Inc.
Union Center, Wonewoc, LaValle, WI	HLM Cable Corp.
Clintonville, Embarrass, Marion, Tigerton, Black Creek, Shiocton, WI	Milestone Communications Inc.
Beaverton, Aloha, Banks, Cornelius, Durham, Forest Grove, Hillsboro, King City, Lake Oswego, North Plains, Reedville, Tualatin, Wilsonville, Washington County, Clackamas County, WA	*Tidel Communications Inc.
Emmetsburg, IA	Vantage Cable Inc.
McGregor, IA	Vantage Cable Inc.
Calmar, Elgin, Fayette, West Union, IA	Vantage Cable Inc.
Aledo, Rendon, Willow Park, Hudson Oaks, Annetta So.,	

NA denotes not available
*** denotes party represented by broker**

*Sonic Communications	33,000	81,000
*James Communications	9,600	16,000
Viacom International	73,000	128,000
Chambers Communications	3,400	5,400
	174,000	**385,400**

Company

Seller	**Basic Subs**	**Homes Passed**
Crested Butte Cable	2,500	4,400
*Cass Cable TV Inc.	700	1,500
*Cable & Comm. Co.	200	600
Williamson Cable TV Co., Kermit Cable TV Co., Jenkins Cable TV Co.	7,500	8,000
Community Antenna Systems	2,900	3,100
All Vu Cable TV Inc. Southeastern Cablevision	2,200	3,000
*Orcable Ltd. d/b/a Evans Cablevision	15,000	30,000
*South Texas Cable Television Inc., Seadrift Cable Television Partnership, Port O'Connor Cable Partnership	2,600	4,800
*Orcal Cable Inc.	4,900	8,000
*Degner Electronic CATV	550	625
*Wolf River & Tioga Cablevision of WI	1,300	3,475
Storer Metro Communications Co.	36,000	68,000
*Emmetsburg Cable TV	1,600	1,800
*Lloyd's Cable Co.	370	390
*Quality Cablevision Co.	1,417	1,550

January, 1987
This notice appears as a matter of record only.

SOLD

Norcom Cable Investors

Serving Communities in
Minnesota & Wisconsin

Sale represents 9,100 basic and
5,200 pay TV subscribers.

Bruce Falkenberg represented the seller.

coaxial capital

Suite 1301, 4582 South Ulster Street Parkway
Denver, CO 80237 (303) 770-7700

December, 1986
This notice appears as a matter of record only.

SOLD

Harbor Videocable

Serving Communities in
Western Washington

Sale represents 13,000 basic and
5,000 pay TV subscribers.

Bruce Falkenberg represented the seller.

coaxial capital

Suite 1301, 4582 South Ulster Street Parkway
Denver, CO 80237 (303) 770-7700

three acquisitions closed during the last week of 1986.

The communities served include St. Genevieve, Bertran, Benton, Fredericktown and Irontown, Mo. All systems will be consolidated into the recent acquisition of Cable World Inc. with 24,000 subscribers in Southeastern Missouri by Falcon Telecable.

Falcon Telecable is the newest partnership of Falcon and The Mutual Insurance Co. of New York. Falcon and its affiliates now serve approximately 379,000 subscribers.

Cable Investments year-end closings include Benchmark

DENVER—Cable Investments' year-end closings for 1986 include the asset-sale closing of four cable television systems owned by Benchmark/Dale City Cable Fund L.P. and Benchmark Cable Fund L.P. of Washington, D.C.

The assets of the partnerships, which include 18,000 basic and 7,000 primary subscribers, were acquired in December by Columbia International Inc.

The systems serve the towns of Woodbridge/Dale City, Va.; Greer, S.C.; Chincoteague, Va.; and Crisfield, Md., and offer 35-channel capacity. More than 37,000 homes are passed by the systems' 453 miles of plant.

New Business

Media Development Corp. started for acquisition purposes

GLOUCESTER, Va.—Media Development Corp. has been established to acquire and operate cable television systems as well as other communications holdings. L.W. "Duff" Kliewer, is the president and CEO of the new firm.

Other principals in the firm are Donald Perry and Patricia Gibbs. Perry is president of Donald A. Perry and Associates, as well as president of both 1st Commonwealth Communications Inc. and First Commonwealth Cablevision Ltd. Gibbs is vice president of Donald A. Perry and Associates as well as administrative executive of Perry's other two firms.

Media Development Corp. will be located both in Newport News, Va., and Summerville Plantation in Gloucester, Va.

Douglas forms new organization, acquires systems

TOPEKA, Kan.—Douglas Cable Com-

County, TX	*Lonestar Cablevision Inc.	Metro Cable TV	700	2,122
Buffalo Center, Swea City, Armstrong, IA; Winnebego, MN	Vantage Cable Inc.	*D & V Inc. Armstrong Cable TV Corp., Winnebego Cable TV Corp.	1,665	1,825
Necedah, WI	Cencom	*Castlerock Cable	200	300
Goldendale, WA	Empire Comm.Inc.	*Goldendale Cablevision Inc.	1,250	1,414
Colon, Burr Oak Twshps., Cities of Colon, Burr Oak, Litchfield, Reading, MI	Communications & Cablevision Inc.	*Cascade Cable Corp.	1,200	1,600
County of Hillsborough, FL	Cablevision Industries	*Orcable Ltd., d/b/a Apollo Cablevision	7,500	1,800
Lake Travis, TX	J.R. King Enterprises	*Lakeway Comm.Inc.	1,500	3,000
Burt & Bancroft, IA	Vantage Cable Inc.	*Cable TV of North Kossuth Inc.	520	550
Little Rock, Ocheyedan, Ashton, Melvin, IA	Vernon Comm. & TV Inc.	*Rural Comm. Corp.	331	350
Lincoln City & portions of Tillamook Counties, OR	Falcon Comm. Inc.	*Lincoln TV System Inc.	6,950	7,800
Green Lake County, Marquette County, Waushana County, Princeton, Montello, Berlin, Green Lake, Markesan, WI	Wisconsin Cablevision Partnership	R&M Communications, Berlin Cablevision Corp., Green Lake County Cablevision Inc.	3,350	5,700
Rockport, Fulton, Aransas County, Commanche, TX	River Communications	*Commanche Cable TV Inc., Rockport Cable TV Inc.	4,329	8,394
Hackleburg, Phil Campbell, AL	Paradigm Communications Inc.	*S&G Cablevision	691	1,150
Totals			**109,923**	**175,245**

Waller Capital Corp.

System Location	Buyer	Seller	Basic Subs	Homes Passed
Grenada, MS	*Bachow & Elkin Inc.	Grenada Video Inc.	4,800	5,600
Struthers, OH	Century Communications Corp.	*Hopewell Cable Systems inc.	3,800	5,600
New Hope, NJ & Lambertville, PA	Suburban Cable TV Inc.	*Storer Communications Inc.	2,000	2,700
11 communities in Northeastern MI	Centel Communications	*Whitney Cablevision of MI	7,900	18,000
Pelahatchie, MS	*Helicon Corp.	Pelahatchie Cable TV Inc.	300	525
Athens County, OH	SatCable Inc.	*Whitmore Cable TV Inc.	964	1,360
Portions of Vermont & New Hampshire	James Communications Inc.	*Eastern Communications Inc.	9,200	12,000
Jupiter & Palm Beach County, FL	U.T.A. Cable Corp.	*Palm Comm.	3,100	4,900
Clarendon, AR	Friendship Cable of Arkansas Inc.	*Clarendon Cable T.V. Inc.	567	1,030
Carlisle & Holly Grove, AR	Friendship Cable of Arkansas Inc.	*Bo-Pick Cablevision Inc.	445	1,490
Lewistown, Lock Haven & Tyrone, PA	*Sesquehanna Broadcasting Co.	Cox Cable Communications Inc.	15,900	16,800
Alma & Dora, AR; Spiro, OK	Transwestern Video Inc.	*Razorback Cable Associates L.P.	400	1,500
Portions of Tennessee & South Carolina	*First Carolina Communications	Telephone & Data Systems	13,500	24,500
Chapel Hill, NC	Prime Cable Corp.	*Village Cable Inc.	9,200	18,000
Statesboro, GA	Northland Communications	*Statesboro CATV Inc.	5,300	7,800
Portions of Alabama, Georgia & Mississippi	*James Associates Inc.	Multivision Group	37,000	52,000
Richlands, VA	Bachow & Elkin Inc.	*Richlands Cablevision Inc.	9,500	12,000
Gaffney & Union, SC	Three Sixty Corp.	*Piedmont Cablevision Inc.	6,300	14,300
Great Bend, Larned, Hoisington & LaCrosse, KS	Multimedia Cablevision Inc.	*Karlen Communications Inc.	9,000	12,000
Annapolis, Lexington Park, MD	*United Cable			

NA denotes not available
* denotes party represented by broker

nication station at United Video's Chicago Teleport. The new facility will be operated and maintained by UV as part of an agreement with Comsat.

The facility will consist of a nine meter transmit/receive antenna and two buildings housing communications and power equipment. Completion is set for the first quarter of 1987.

Request, Hospitality to provide movie service

AUSTIN, Texas—Request Television and Hospitality Network have reached an agreement to provide satellite relayed first-run movie service to the hotel industry.

The Hospitality Network currently operates satellite relayed, hotel pay-TV systems in eight states. Movies, CNN and ESPN are among the items to be offered.

Hospitality is also offering a joint venture program for cable operators. Plans include agreements with a New York based Forbes "400" investment company and Phoenix Cable Lease. The joint venture brings to cable operators a no-cost, revenue sharing pay-TV program.

Hospitality is also moving to new offices in the Plaza on the Lake Office Building located at Lake Austin and the Loop 360 Bridge.

	Television Corp.	Prime Cable Corp.	17,000	22,700
Wilmette, IL	*American Cable Systems of IL	First Carolina Communications	2,100	8,900
Starkville, MS	Northland Communications	*Starkville TV Cable Co.	7,000	8,000
Rankin County, MS	Helicon Corp.	*Mid South CATV Developers	9,000	17,500
Portions of Georgia & Tennessee	First Carolina Communications	*Southern Telecom Inc.	16,200	37,000
Totals			**190,376**	**305,905**

NA denotes not available
* denotes party represented by broker

Consulting firm starts operations in New York

NEW YORK—Gross & Associates, a new management consulting firm, started operations recently by Henry Gross.

The company will primarily serve cable TV programming, marketing and advertising services, including home shopping.

Gross & Associates is located at 320 E. 57th St., New York, NY, 10022, (212) 935-1255.

General Instrument makes organizational changes at Jerrold Canada

HATBORO, Pa.—General Instrument's Jerrold Division is restructuring its Canada division. All marketing, sales and warehousing functions for Jerrold Canada will be headquartered in Toronto, with local responsibility for customer service and product support. Engineering and manufacturing will be consolidated in other locations.

CLASSIFIEDS

HELP WANTED

BakerScott & Co. EXECUTIVE SEARCH
1259 Route 46 Parsippany, NJ 07054 201 263-3355
Specialists in the COMMUNICATIONS INDUSTRY
CABLE TV/BROADCAST DIVISION
TELECOMMUNICATIONS DIVISION
POSITIONS AVAILABLE AT ALL LEVELS OF MANAGEMENT, COAST TO COAST
Call or write in CONFIDENCE
FEE PAID
"WE DON'T TALK CABLE, WE KNOW CABLE"
PRINCIPALS DAVID ALLEN & JUDY BOUER

MARKETING MANAGER/ Top Ten Market

Experienced manager knowledgable of direct sales, telemarketing, media buying, direct mail and personnel management. College degree with 3 years experience. Excellent salary with liberal fringes. Send resume to:

P.O. Box CN 3307
Livonia, MI. 48151-3307
M/F EOE

Sub contracted Installers Needed

Northern Virginia, Maryland and Texas. Truck and tools a must. Larry Rhodes (703) 335-1027.

FIELD SALES FOR CABLE PROFESSIONALS

Times Mirror Cable of Arizona is seeking professional field salespersons interested in a challenging career opportunity in beautiful Phoenix, Arizona. We offer:

- 460,000 homes passed by cable
- Protected territories
- Lucrative commission structure
- Daily-weekly-monthly bonuses
- Excellent benefits

Please send your resume to:

Times Mirror Cable of Arizona
Human Resources Dept.
17602 North Black Canyon Highway
Phoenix, AZ 85023

If you have questions about the position before applying, please call (602) 866-0085, ext. 244 - EOE/M/F.

Underground CATV PERSONNEL NEEDED

Supervisors, Foremen, Machine Operators (T-600 D, R-100, rock saws, etc.), Laborers

Long-term work in Florida, Massachusetts, Illinois, New Hampshire, and Vermont. Equal Opportunity Contractor. Call (617) 374-8033 and ask for Dick, Jr. or send resume to:

EARLY & SONS INC. CONTRACTORS

Early & Sons, Inc.
58 South Kimball St.
Bradford, MA 01830

CATV TECHNICIAN

Cable system seeking an experienced cable technician. Minimum 2 years CATV experience. Knowledge of troubleshooting and strong headend ability. Send resume and salary history to: P.O. Box 36782, Charlotte, NC 28236.

CABLE STATS

Cable services subscriber count

Satellite-fed national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	245	4,900,000
Alternate View Network	206	2,500,000
American Movie Classics	350	2,000,000
Arts & Entertainment (A&E)	2,200	19,700,000
Black Entertainment Television (BET)	717	11,400,000
Cable News Network (CNN)	10,122	38,456,000
Cable Value Network	500	10,000,000
C-SPAN	2,300	25,250,000
C-SPAN II	286	7,600,000
CBN Cable Network	7,796	34,086,000
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	438	6,200,000
The Discovery Channel	1,500	14,000,000
ESPN	14,700	39,300,000
Eternal Word Television Network (EWTN)	334	6,100,000
Financial News Network (FNN)	1,450	24,000,000
GalaVision	252	425,000
Headline News	3,730	22,724,000
Hit Video USA	41	1,700,000
Home Shopping Network	722	11,613,217
Home Shopping Network 2	245	5,820,000
International Television Network	42	20,130,000
The Learning Channel	800	7,200,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,050	29,000,000
Music Television (MTV)	4,490	32,600,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	247	5,569,000
Nickelodeon	4,770	30,300,000
The Nostalgia Channel	185	850,000
PTL The Inspirational Network	1,678	15,000,000
QVC Network	450	10,500,000
Rock Christian Network	9	886,000
Score	1,050	19,000,000
Silent Network	206	6,800,000
Sky Merchant	12	600,000
TelShop	750	10,500,000
Tempo Television	651	12,500,000
The Travel Channel	40	5,000,000
Trinity Broadcasting Network	471	6,387,000
Univision	383	33,673,000
USA Network	8,500	35,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	NA	NA
The Weather Channel	2,400	24,000,000
WGN-TV	9,254	22,180,000
WOR-TV	1,999	8,669,134
WPIX-TV	254	2,434,000
WTBS-TV	11,249	39,330,000

Pay services

Bravo	285	350,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,000,000
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	580	732,000
Showtime	3,200	5,400,000

Audio services

Cable Radio Network	31	1,600,000
JazzAmerica	NA	NA
KKGO Super Jazz	11	98,521
Moody Bible Institute	70	923,102
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	159	1,257,000

Text services

AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	28	2,045,000
DBC/MarketWatch	50	NA
Electronic Program Guide (EPG)	285	5,643,000
EPG Jr.	76	76,655
Genesis Cable Storytime	26	1,033,000
Reuters News View	325	3,250,000
TV Decisions	170	6,400,000

Text services	Affiliates	Subscribers
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	150	5,600,000
Fuji Network	5	11,044
Nippon Golden Network	5	11,044
Vector Consumer News	12	325,000
Vector Consumer Shopping Guide	15	407,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	150,000
Bay Area Religious Channel (BARC)	4	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	38.7	1,300,000
The Ecumenical Channel	7	149,000
KTVT	130	1,882,000
Life Newsvision	35	50,000
Madison Square Garden	83	2,015,000
Meadows Racing Network	14	446,000
MetroChannel	1	118,00
News 12 Long Island	7	500,000
Prime Ticket	207	1,600,000
SportsVision (Chicago)	38	610,000
Texas Cable Network	15	646,000

Pay services

Dodgervision	44	935,000
Home Sports Entertainment—Houston/Dallas	119.5	216,000
Home Team Sports	100	500,000
New England Sports Network	156	172,178
PRISM-Philadelphia	90	370,000
Pro-Am Sports	110	112,000
SportsChannel (New England)	135	363,000
SportsChannel (New York)	66	562,000
Z Channel	25	89,500

Announced services

Satellite-fed services	Expected launch
Americana Network	3rd Quarter 1987
American Catalog Shopper's Network	3/87
Apollo Entertainment Television	TBA
Barter Resources Shopping Network	3rd Quarter 1987
The Book Channel	TBA
Comedy Television	1st Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
EventTelevision	1st Quarter 1987
The Fashion Channel	2nd Quarter 1987
Gospel Music Network	3/87
International Business Network	2nd Quarter 1987
International Cablecasting's Cable Radio Network	9/87
Movie Time	1/87
Ozark Mountain Network	(2/87)
PreView Channel	4/87
The Preview Network	3/87
Tunnelvision	10/87
Vacation Travel Network	6/87
Video Shoppng Center (Telstar/LBS)	4/87
World Travel Network	1st Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available.
TBA denotes to be announced.

C4722-2
4/20/87

MARCH 2, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

CABLE RAISES HOWL OVER SYNDICATED EXCLUSIVITY

CABLE NETS TO OFFER PACKAGE AD BUYS

J.C. PENNEY PREPARES NEW APPROACH TO TV SHOPPING

CABLE ACT PROVING USEFUL IN WAR ON THEFT

ATC/HI VENTURE POISED FOR ACQUISITION CAMPAIGN

ANNUAL CONSTRUCTION SURVEY: $1.4-BILLION YEAR IN THE OFFING

CableVision

FRONT LINE

Syndicated exclusivity battle 12
With the Federal Communications Commission signaling its intention to re-impose syndicated exclusivity rules, cable interests are preparing to mount a concerted campaign against the action.

TCI leaping ahead 14
Management of the largest MSO used the company's annual investors' meeting as a forum to illuminate the benefits flowing from its aggressive acquisitions strategy, ranging from big revenue and margin increases to clout in setting cable's programming agenda.

Streamlining the ad buy 16
A new venture involving 16 cable networks will seek to entice more advertising dollars into basic cable by offering clients package deals aimed at specific demographic targets.

Operators set NFL bid group 17
A consortium of MSOs is pursuing a National Football League game package with the intention of offering it to competing bids from basic networks or possibly using the games as part of the programming foundation to a new network.

Departments

Cablescope 6
Stats .19, 64
Classifieds 55
People. 58
Products 61
Events .62
From New York 66

PROGRAMMING

J.C. Penney hat in the ring 18
J.C. Penney's entry into home shopping will be entirely different from those preceeding it, with interactive ordering and catalog-like displays allowing for development of a "shopping-mall" approach to business.

ADVERTISING

CAB sets conference agenda 24
The annual Cabletelevision Advertising Bureau conference is aimed at assisting operators with understanding the key challenges facing the industry and capitalizing on the opportunities in advertising.

INTERNATIONAL

European DBS in new direction 36
Mirroring the situation in the U.S., the direct broadcast satellite business originally envisioned as a direct-to-home, high-powered system is beginning to take off as a medium-power, hybrid venture, with a wide range of market bases to build on.

LAW & REGULATION

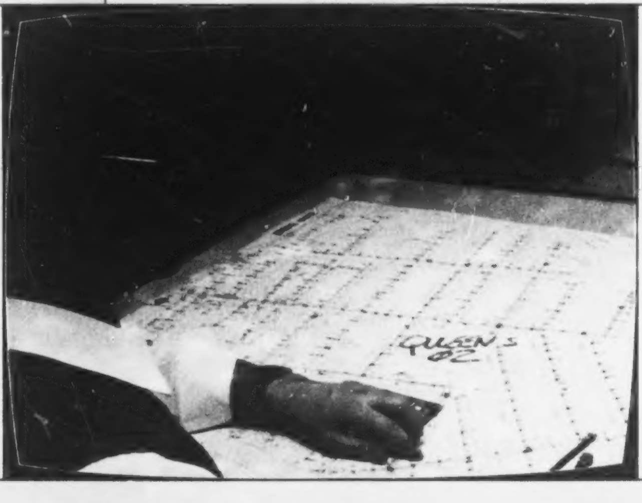
The Cable Act and theft of service 38
The Cable Communications Policy Act of 1984 has helped in the campaign against cable service theft, but with more emphasis on civil cases than on criminal cases. The National Cable Television Association sees a need for stronger state criminal sanctions as a way to bolster the enforcement efforts.

BUSINESS

Paragon sets sights on growth 41
The newly renamed joint venture of American Television and Communications and Houston Industries is aiming at reaching 1 million subscribers over the next five years.

COVER STORY

Big turnaround in construction 26
The annual construction survey finds cable companies have filled their agendas with long-postponed projects, culminating in prospects for the biggest construction year since 1983.



On the cover, with designs on Queens is ATC's Bob Shammas, who is drawing plans to wire the New York borough. Photograph by Ron Rudolph.

Pay Per View Supply Chart

March

Source

Aliens (3/19) 20th Century-Fox
MPAA Rating: R Running Time: 99 mins.
Cast: Sigourney Weaver.

Club Paradise (3/11) Warner Bros.
MPAA Rating: PG-13 Running Time: 96 mins.
Cast: Robin Williams, Peter O'Toole, Rick Moranis.

Code Name: Wild Geese (3/16) HBO Enterprises
MPAA Rating : R Running Time: 102 mins.
Cast: Lee Van Cleef, Ernest Borginine, Nimsy Farmer, Klaus Kinsky.

Hard Traveling (3/16) HBO Enterprises
MPAA Rating: PG Running Time: 107 mins.
Cast: Ellen Geer, J.E. Freeman, Barry Corbin.

Haunted Honeymoon (3/1) Orion
MPAA Rating: PG Running Time: 83 mins.
Cast: Gene Wilder, Gilda Radner, Dom DeLuise.

Night of the Creeps (3/1) Tri-Star
MPAA Rating: R Running Time: 88 mins.
Cast: Jason Lively, Steve Marshall, Jill Whitlow, Tom Atkins.

Opposing Forces (3/15) HBO Enterprises
MPAA Rating: R Running Time: 107 mins.
Cast: Tom Skerrit, Lisa Eichorn, Richard Roundtree.

The Peanut Butter Solution (3/16) HBO Enterprises
MPAA Rating: PG Running Time: 91 mins.
Cast: Matthew MacKay, Michael Hogan, Alison Podbray.

Ruthless People (3/19) Disney
MPAA Rating: R Running Time: 94 mins.
Cast: Danny DeVito, Bette Midler.

Shang-hai Surprise (3/1) MGM/UA
MPAA Rating: PG-13 Running Time: 97 mins.
Cast: Sean Penn, Madonna.

Stand By Me (3/1) Columbia
MPAA Rating: R Running Time: 87 mins.
Cast: River Phoenix, Wil Whitson, Jerry O'Connell, Kiefer Donaldson, Corey Feldman.

Touch and Go (3/1) Tri-Star
MPAA Rating: R Running Time: 102 mins.
Cast: Michael Keaton, Maria Conchita Alonzo, Ajay Nadu.

April

Source

Dancing in the Dark (4/20) HBO Enterprises
MPAA Rating: PG-13 Running Time: 98 mins.
Cast: Martha Henry, Neil Monroe.

Ferris Beuller's Day Off (4/1) Paramount
MPAA Rating: PG-13 Running Time: 103 mins.
Cast: Matthew Broderick, Mia Sara, Jeffrey Jones.

The Fly (4/15) 20th Century-Fox
MPAA Rating: R Running Time: 100 mins.
Cast: Jeff Goldblum, Geena Davis.

Source

Heathcliff: The Movie (4/22) Paramount
MPAA Rating: G Running Time: 74 mins.
Cast: Animated.

Hey There, It's Yogi Bear (4/22) Paramount
MPAA Rating: G Running Time: 89 mins.
Cast: Animated.

A Man and a Woman (4/7) Warner Bros.
MPAA Rating: NR Running Time: 102 mins.
Cast: Anouk Amiee, Jean-Louis Trintignant, Pierre Barough, Valerie LaGrange.

A Man and a Woman: 20 Years Later (4/7) Warner Bros.
MPAA Rating: PG Running Time: 112 mins.
Cast: Anouk Amiee, Jean-Louis Trintignant, Richard Berry, Evelyn Bouix.

Men's Club (4/22) Paramount
MPAA Rating: R Running Time: 101 mins.
Cast: Roy Scheider, David Dukes, Frank Langella.

Modern Girls (4/1) Paramount
MPAA Rating: PG-13 Running Time: 84 mins.
Cast: Daphne Zuniga, Virginia Madsen, Cynthia Gibb.

The Name of the Rose (4/1) 20th Century-Fox
MPAA Rating: R Running Time: 129 mins.
Cast: Sean Connery.

Shadow Play (4/30) HBO Enterprises
MPAA Rating: R Running Time: 98 mins.
Cast: Dee Wallace Stone, Cloris Leachman.

Soul Man (4/2) HBO Enterprises
MPAA Rating: PG-13 Running Time: 104 mins.
Cast: C. Thomas Howell, Rae Dawn Chong, James Earl Jones, Ron Reagan.

Steaming (4/30) HBO Enterprises
MPAA Rating: R Running Time: 96 mins.
Cast: Vanessa Redgrave, Sarah Miles, Diana Dors.

Stewardess School (4/1) Columbia
MPAA Rating: R Running Time: 87 mins.
Cast: Donny Most, Audrey Landers, Sandahl Bergman.

Tough Guys (4/23) Touchstone
MPAA Rating: PG-13 Running Time: 104 mins.
Cast: Burt Lancaster, Kirk Douglas.

Where the River Runs Black (4/1) MGM/UA
MPAA Rating: PG Running Time: 96 mins.
Cast: Alessandro Rabelo, Charles Durning, Peter Horton.

Whoopee Boys (4/1) Paramount
MPAA Rating: R Running Time: 84 mins.
Cast: Michael O'Keefe, Paul Rodrigues.

Note: Running times are approximate.

Film information provided to International Thomson Communications Inc. by distributors.
NR indicates film not rated by MPAA.
* Unavailable at presstime.

Pay Per View Services Profile

Service:	**Cable Video Store**	**Request Television**	**Telstar Channels**	**Viewer's Choice**
Delivery:	Satcom 4, transponder 16	Galaxy 1, transponder 12	Interrum Standalone, presently testing on Telstar 303	VC-1 Satcom 3R, transponder 5 VC-2 Galaxy 1, transponder 16
Encryption:	VideoCipher II	VideoCipher II	Presently testing G. I. StarlocIV	VideoCipher II
Programming:	All movies, 24 hours per day 50-60 titles per month.	Two to four major motion pictures per week. special events	Channels 1&2: two major motion pictures on a biweekly rotation. Channel 3: three major motion pictures per week, special events	One major motion pictures per week special events
Subscribers:	Field trial basis; currently serving 10 MSO's nationwide. (2 500+ Impulse addressable subscribers)	Available in systems serving 2.7 million subs (1.8 million addressable)	Available in systems serving 74,000 subs (11,500 addressable).	Available in systems serving 2 million subs (1.6 million addressable)

MANAGEMENT

Projections call for $1.4-billion outlay in '87

Construction survey finds market booming

Converters, amplifiers lead surge in wake of a disappointing '86

By Roger Brown

This year has dawned amid a flurry of construction activity that hasn't been seen in the cable business for a long time. If cable operators stay true to their budgets, as reported to *CableVision* for its 12th annual construction survey, 1987 promises to be the biggest year in construction since 1983, with some $1.4 billion slated for newbuilds, rebuilds and upgrades, representing a 45 percent increase over 1986 spending. (See p. 32 for chart of complete survey results.)

The surge couldn't come at a better time for the manufacturers, distriubtors and contractors who are just coming out of the worst year since 1979, in terms of total industry construction expenditures.

For a year that was originally forecast to experience only a slight downturn in construction activity from the previous year, 1986 instead turned out to be what can be characterized as the "Year of Deferment."

For the first time since 1979, the industry spent less than $1 billion on construction-related activity, building out just 27,000 miles of new plant. Also, for the first time, replacement plant construction outpaced newbuild mileage, with just under 30,000 miles of cable plant being rebuilt and upgraded.

Nearly every expense category came in significantly under the numbers projected a year ago, with two notable exceptions: headend equipment and traps. Operators, gearing up to put in place new channel lineups and expanded basic service after the deregulation era was to begin Jan. 1, 1987, spent twice as much in this category than was foreseen earlier. And trap vendors, buoyed by TCI's much-publicized resistance to addressability and other operators' movement to hybrid systems, were the beneficiaries of additional spending in that area, according to the 12th annual survey.

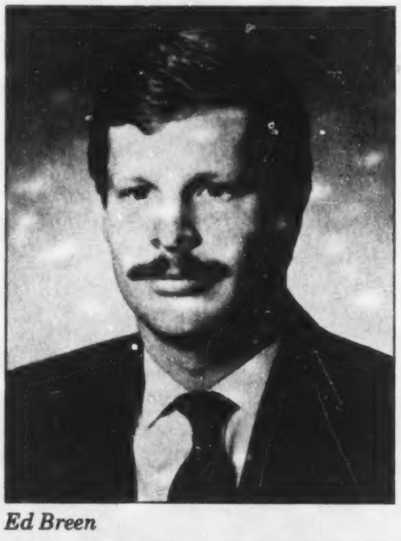
But a large share of construction spending that should have occurred in 1986 was put off because of the spectacular increase in system buying and selling that occurred before the new tax law took effect. Almost unanimously, survey respondents speculated that funds originally earmarked for rebuilds and upgrades were instead held back to finance acquisitions or because particular systems were expected to be sold in the near future.

But construction and plant upgrades can be postponed only so long if the system's new owner hopes to improve service and begin realizing a return on his investment, and it appears that 1987 will be the "Year of the Rebuild," in the words of one contractor. Distributors, suppliers and contractors contacted for the survey all reported significant increases in activity and expressed confidence that the pace will continue through December. Some have even taken the optimistic outlook that much of the activity will last well into 1988.

CableVision has determined that expenditures in 1987 will top out at about $1.423 billion, a level of spending not seen since 1983, when the industry laid out $1.488 billion. Predictably, the newbuild side of the ledger will continue its downward trend, to just more than 26,000 miles, while nearly 49,000 miles of plant gets replaced or upgraded.

Double the converters

Areas of significant spending will include line amplifiers, sales of which are predicted to double in 1987 as operators jettison outdated electronics and insert high-performance amplifiers to increase bandwidth. But the one area expected to see the biggest influx of new money is converters, where operators said they expect to shell out a total of $600 million, double the amount spent last year. Two-thirds of all converter sales are expected to be for addressable boxes. But plain non-addressable units are also in hot demand.


Ed Breen

The market forces responsible for the dramatic turnaround in spending are many and heavily dependent upon each other. Deregulation, system sales, low interest rates and excitement over new revenue opportunities have acted synergistically to create an upbeat construction marketplace, allowing manufacturers to move built-up product inventory and beef up production to meet the new demand.

Ed Breen, vice president of marketing for Jerrold's subscriber equipment division, said he expects a "fairly strong year" in converter sales, due mostly to deregulation. Breen said he noticed an increase in business in the latter half of 1986 and expects the level to remain constant at least through the first half of 1987. Beyond that, he said, he's unsure of what to expect.

Breen added that plain converters will remain in demand for the first six months of the year because operators who have expanded their basic offerings by collapsing tiers must now offer converters to subscribers who previously did not need them. Addressable sales have also increased, but at a slower pace, said Breen, who believes that addressability will continue to sell well past the current "bubble" of activity. "A lot of people are upgrading their existing systems with addressable technology," Breen said.

The surge in sales also has Steve Necessary, marketing manager for subscriber and distribution products at Scientific-Atlanta, "cautiously optimistic." Necessary, whose company has seen a "fairly dramatic upturn in demand" for product, also credits deregulation for lifting sales out of the

SOLD
April, 1986
DENT COUNTY TV
CABLE SYSTEM, INC.
has sold its cable television assets to
WHEELERS, INC.
The sale represents 2,600 basic subscribers

SOLD
July, 1986
BUTLER CABLEVISION, INC.
& INDESAT, INC.
have sold their cable television assets to
C4 MEDIA MID-AMERICA II
LIMITED PARTNERSHIP
The sale represents 2,200 basic subscribers

SOLD
November, 1986
UNIVERSAL
TELECOMMUNICATIONS, INC.
has sold its cable television assets to
EMPIRE COMMUNICATIONS
OF OKLAHOMA

SOLD
May, 1986
CASA DE ORO
AUTO SUPPLY, INC.
has sold its cable television assets to
CABLE TV OF
FORT GIBSON, INC.

SOLD
December, 1986
WRIGHT
COMMUNICATIONS, INC.
has sold its cable television assets to
C4 MEDIA MID-AMERICA II
LIMITED PARTNERSHIP

SOLD
December, 1986
BLUE WATER CABLE, INC.
has sold its cable television assets to
EMPIRE CABLE
OF KANSAS, INC.
A subsidiary of Empire Communications, Inc.

SOLD
May, 1986
FOWLER MASTER
ANTENNA SYSTEMS, INC.
has sold its cable television assets to
HORIZON CABLEVISION
OF MISSISSIPPI

SOLD
December, 1986
EMPIRE CABLE OF
ARIZONA, INC.
redeemed its outstanding stock owned by
KINER CABLE, INC.
This sale affects 2,500 basic subscribers

SOLD
December, 1986
SEMO COMMUNICATIONS, INC.
& QUALITY CABLE CORP.
have sold a portion of their cable television assets to
C4 MEDIA MID-AMERICA II
LIMITED PARTNERSHIP
The sale represents 2,500 basic subscribers

SOLD
December, 1986
FIRST CABLE AND LAND CORP.
has sold a portion of its cable television assets to
COLE COUNTY
CABLEVISION, INC.
The sale represents 2,200 basic subscribers

SOLD
December, 1986
OZARK
COMMUNICATIONS, INC.
has sold its cable television assets to
C4 MEDIA MID-AMERICA II
LIMITED PARTNERSHIP

SOLD
April, 1986
TONOPAH T.V., INC.
has sold its cable television assets to
EMPIRE
COMMUNICATIONS, INC.

ACQUIRED
June, 1986
CABLE-VIDEO
ENTERPRISES, INC.
has acquired a portion of
the cable television assets from
FAYETTE CABLEVISION, INC
The sale represents 2,400 basic subscribers

SOLD
August, 1986
PAR CABLE, INC.
sold its Chicago cable television assets to
DORN COMMUNICATIONS

SOLD
September, 1986
NORTH BEND CABLE TV
has sold its cable television assets to
SCOPE CABLE
TELEVISION

ACQUIRED
December, 1986
SUBURBAN CABLE
PROPERTIES, INC.
has acquired the cable television assets from
MARQUE II ENTERPRISES, INC.
& MIS-TV, INC.

doldrums. "A lot of people began reacting (to the implementation of deregulation) late last year... so when we entered January, the momentum was already rolling."

Addressable rebound

The impetus that rate deregulation provides for systems to perform upgrades seems to be driving much of the demand for distribution equipment, said Necessary, who also noted that sales of addressable equipment have experienced new growth. "A year ago, the trend was away from addressable converters, everyone wanted basic ones. Now the market is up for both kinds. It seems to be a halting of the basic-only trend."

The story's the same at Pioneer, where sales are so strong the converter company cautiously predicts it will sell more than a million units for the first time. "This is going to be a great year for us," said Mike Hayashi, marketing manager. Although sales are at a fairly constant level now, the increase in orders began last September, when converter sales "surged overnight," according to Hayashi, who expects the demand to remain up through December 1987.

Characterizing sales of addressable boxes as "very good," Hayashi nevertheless said the sudden upswing came from sales of "plain jane" units with remote control. Those units alone will experience a 20 percent to 30 percent sales jump over 1986, Hayashi predicted.

If the present level of demand continues, Tele-Wire Supply Co. will experience a "record year," according to Marty Ingram, director of sales and marketing for the product distribution firm. Ingram credits deregulation and operators' attempts to purchase product under the old tax law for taking 1986 from a "fair" sales year to a dramatic recovery. Ingram added that he doesn't see any downturn in calendar 1987, which he fully expects to be a "banner year."

As a full-line distributor, Ingram said items in most demand are construction-related material and drop-related material. Tele-Wire is beginning to experience some shortages of construction material, but since the company stocks 30 days to 60 days of inventory, its customers haven't felt the crunch yet. Nevertheless, the company "can't ship the material fast enough," Ingram reported. Drop material like multi-taps, line extenders and trunk amplifiers are also becoming harder to find, often requiring 60- or

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90-day lead times, he said.

Meanwhile, Bill Kloss, national sales manager at Trilogy, a coaxial cable manufacturer, predicts just a slight increase in sales during 1987. Led by the major urban builds and an upswing in rebuild activity, Kloss said demand will likely peak during the summer construction months, but added, "The valleys won't be as deep" as they were last year.

The outlook at General Instrument's Comm/Scope cable division is similar. Marketing Manager Steve Coffey said orders should remain constant through the year, but doubted that he'd see any major uptick in sales. The lack of excitement at this level is more evidence that MSOs are planning upgrades instead of complete rebuilds in many instances.

Stephen Necessary

Consequently, high performance amplifiers are in great demand, according to Bob Young, director of distribution product marketing at General Instrument. These amps—such as power doubling and feed forward—allow the operator to save as much existing plant as possible while achieving higher gain and better distortion performance.

Additionally, Young said, the major city builds and systems scheduled to be rebuilt are finally getting the attention they deserve. "For years it's been a constant postponement of the major city builds, and almost all are now underway."

Leading the push for more converters and electronics to upgrade its systems is TCI, the giant MSO serving nearly 4 million subscribers. In many systems, as many as five new channels are being added to the basic lineup as tiers are compressed and rates increased, said Director of Engineering Dave Willis. Consequently, millions must be spent to provide converters to subscribers lacking cable-compatible televisions.

TCI's new rate structure has kept contract installers hopping, said Fred Baker, president of Baker Installations, headquartered in the Northeast. "Operators are finding that some areas are now more profitable to install because of the freedom to set rates," said Baker, who works for many of the top 20 MSOs.

The huge restructuring program leaves Willis doubting that he'll be able to finish his 1987 construction program on time. The addition of more channels and converters has "pushed planning back a ways," said Willis. "I think there's a good chance that we'll fall a little behind" in construction activity, which grows annually, along with the company, he said.

Year of the rebuild

"We're looking at a lot of business in '87," said George Ferguson, vice president of Cable Services Co., a full-service contractor and distributor. Because of all the horse trading, systems were often "patched up" prior to them going on the block. "This year, they (new owners) know they have to do something," said Ferguson.

Tom Polis, executive vice president of Communication Construction Group, a division of RT/Katek, is seeing so much demand for rebuild work spurred by deregulation and acquisitions he's dubbed 1987 "The Year of the Rebuild." "I think what's happening is the dust is starting to settle and now the new owners are living up to the promises by extending the system's frequency capability and adding new channels," said Polis.

The marketplace has "turned around quite a bit over the past two years" indicating the start of the next round of construction, which will be primarily rebuilds, Polis said. "If half of what the MSOs say they're going to do this year comes true, it's going to be a banner year for construction."

The sale of Group W took a significant number of systems out of the 1986 construction rotation, which will have to be made up this year, said industry observers. And apparently they are correct. Comcast, which acquired several former Group W properties, plans a "tremendous" increase in construction over past years, focusing primarily on those systems, said Frank Ragone, vice president of engineering.

American Cablesystems' big thrust will be on the West Coast, where the

Continued on page 33

Construction Forecast

New plant construction (in miles)	**1986 actual**	**1987 projected**
Underground	9,576	8,766
Aerial	17,556	17,538
Total	**27,132**	**26,304**
Cost ($ in thousands)		
Antennas and towers	$ 3,060	$ 3,660
Microwave equipment	6,240	13,440
Headend equipment	64,692	13,860
Line amplifiers	32,047	37,124
Cable, trunk and feeder	51,380	60,096
Cable, drop	29,946	38,928
Taps and outlets	14,940	56,262
Traps	13,422	19,116
Earth stations	13,020	6,720
Commercial insertion equipment	6,282	5,232
Other studio and mobile production gear	16,902	22,386
Construction services (make-ready, strand mapping, etc.)	11,280	13,446
Construction labor and equipment	150,300	171,586
Total	**$413,511**	**$461,856**
Replacement plant construction (in miles)		
Underground	7,674	11,270
Aerial	21,252	37,478
Total	**28,926**	**48,748**
Cost ($ in thousands)		
Antennas and towers	$ 1,860	$ 2,658
Microwave equipment	12,300	23,610
Headend equipment	44,406	29,400
Line amplifiers	59,670	120,237
Cable, trunk and feeder	75,126	64,915
Cable, drop	25,056	42,252
Taps and outlets	14,562	27,299
Traps	12,924	19,648
Total	**$245,904**	**$330,019**
Subscriber equipment ($ in thousands)		
Converters, non-addressable	$ 88,800	$ 207,000
Converters, addressable	227,400	393,600
Add-ons (switchers, remotes, stereo, IPPV, etc.)	9,900	30,900
Total	**$326,100**	**$631,500**
Grand total	**985,515**	**1,423,375**

The results of this survey are derived from a sampling of MSOs and manufacturers, and are estimates based upon information supplied to *CableVision*. All numbers and company references have been held in strict confidence.

Continued from page 30

fast-growing MSO acquired several systems clustered around Los Angeles. The majority of capital spending will be used to extend those systems, add addressability to existing systems when necessary, install new and additional equipment at the headends and improve the plant, said Andy Devereaux, vice president of engineering.

American will build out more than 1,000 new miles, the majority (800 miles passing 200,000 homes) in Area K, located in the heart of the Los Angeles basin, Devereaux said. Other planned projects include two surrounding systems and a system in Cook County, Ill.

Viacom plans to extend its East Bay (San Francisco) and Seattle systems to take advantage of the population growth, but the 1987 agenda is generally "more of the same" as last year, according to Joe Van Loan, vice president of engineering. However, the outlook for 1987 is somewhat cloudy because the ongoing leveraged buyout is forcing unproductive capital spending to be deferred, said Van Loan.

Despite the LBO, Viacom is planning to buy a "fair amount" of converters this year, necessitated by subscriber growth and tier meltdown in one acquired system. But those converters will likely be the plain variety and will only go where needed. "Whenever possible, we're making do, reusing and so on in order to minimize the investment in converters because of the cable-ready sets out there," said Van Loan.

Lower interest rates have also helped spur construction activity as available money is cheaper than two or three years ago. That has had a "considerable effect" on business at CWY, a Midwest product distributor. According to Terry French, vice president, much of the demand is for metal enclosures, connectors, coaxial cable and passive line gear.

Overall, French expects 1987 sales to be at least 20 percent over last year. "Much of the market is being directed to distributors because manufacturers can't afford to handle the small orders," said French, who is surrounded by construction activity in Detroit, Chicago, Cincinnati and Dayton.

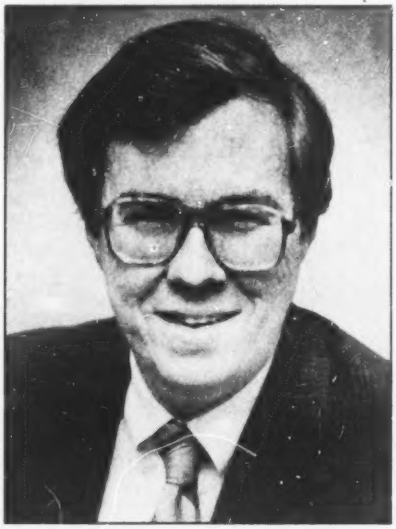
Tele-Wire's Ingram also credits the low-interest economy for stimulating activity. "We were supposed to be in somewhat of a depressed economy because of the new tax law, but that hasn't happened, just the opposite has. The first half (of 1987) will be record sales for us."

Bubble year

Just how long the current round of spending will last is anyone's guess, but everyone agrees 1987 is a "bubble" year, uncharacteristic of what is to be expected over the next several years.

"We're definitely in a bubble year, both on construction and on converters," said Willis at TCI. "But while I do look at this as a bubble year, I'm sure we'll be doing a substantial amount of work next year also." For instance, Willis believes it's time he became familiar with the pitfalls of installing BTSC stereo, which he expects to see a demand for later in the year.

Distributors and manufacturers are more cautious about the future, unsure of what lies aroun,d the next bend. Consequently, they are placin,g orders and stepping up production slowly, determined not to get stuck wi,th warehouses full of inventory when the bubble bursts.



James Faust

Pioneer, Jerrold and S-A all reported stepped-up production of converters, but MSOs like United and TCI noted that longer lead times for converter deliveries have become commonplace. Pioneer and S-A said they hope to be caught up sometime this summer, while Jerrold, with three production locations, plans to move more quickly.

"We're increasing our purchases steadily... but with the knowledge that the bottom could fall out any time," said Ingram at Tele-Wire. Others are more optimistic. Jack Forde, president of Times Fiber, sees "slight, but noticeable, growth" from 1987 until 1989. "The reason for that is you're starting to see the replacement of all the cable that was put in 10 or 12 years ago."

Forde identified the interesting trend that MSOs, during the rebuild process, are shopping for quality products and looking for value instead of the cheapest item on the shelf. "People are beginning to shop more for value than for price, which means they're building them (systems) for keeping, not selling," said Forde. "And that's a level of maturity I've never seen before in the cable business. It's refreshing."

Lee Heller, marketing coordinator at RMS, primarily a supplier of passive devices, believes that trend is helping his business. "We will be quoting more business and, hopefully, getting more business" this year, said Heller. Presently, demand is high for directional taps, indicative of the level of the urban newbuild construction underway in New York City, Detroit, Philadelphia and Los Angeles.

Although they acknowledge the good times can't last, several suppliers predict the future will be buoyed by purchases of impulse ordering technology and add-on devices to improve the connection between cable and in-home electronics.

Zenith and Jerrold expect impulse success stories to continue to drive the demand for addressability. James Faust, president of the cable products division at Zenith, expressed cautious optimism about the future. Describing 1986 as "depressed," Faust predicted the industry would rebound this year. As evidence, Faust said 14 systems have already installed PM-Pulse, a new addressable RF box that sells for under $100.

Jerrold is so confident of the future of impulse ordering for PPV and home shopping that it has suspended production of its non-impulse converter, said Breen.

American Cablesystems is one of those convinced MSOs. With addressability in nearly every system and some systems 100 percent addressable, American is showing the industry it believes money can be made through IPPV and is now planning to test impulse home shopping. In some systems, it's been taken one step further—via two-way interactive cable. "Most of the problems that plagued it (two-way) 10 years ago have been addressed from a technology point of view," said Devereaux. "Reverse transmissions now operate in the 8- to 12-dB signal-to-noise range, where 10 years ago you needed 28- to 32-dB signal-to-noise. And the cost has come down dramatically."

So, despite the uncertainty over how long the bubble will remain over the industry, most observers are encouraged that the burst of energy happened at all and remain optimistic about what the temporary boom portends for the future. After a disastrous 1986, things have apparently returned to normal—with a vengeance. ■

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	71,137,000	41,971,000	47	26,022,000	30
1986E	87,800,000	68,121,000	39,510,000	45	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N A	N A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	86,304,000
Homes passed by cable (HP)	64,571,000
Percent of TVHH passed by cable	74.7%
Basic cable subs	36,120,000
Percent of TVHH with basic cable	41.8%
Percent of HP with basic cable	56.0%
Pay cable subs	21,672,000
Percent of TVHH with pay cable	25.1%
Percent of HP with pay cable	33.6%
Percent of basic subs with pay cable	60.0%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Eternal Word Television Network	12
Financial News Network	4
Genesis Storytime	3
HBO (West)	13
HSN2	2, 16
HTN	16
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Television	6
TV Decisions	24
Trinity Broadcasting Network	3
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	13

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Sports Entertainment	11
Home Team Sports	22
Innovations In Living (HSN2)	1
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	[illegible]
SelecTV	[illegible]

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
Keyfax National Teletext Magazine	18
Moody Broadcasting Network	3
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	[illegible]
USA Network (East, Central)	2.
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner.

Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc	3,900,000	(12/85)
2.	American Television and Communications Corp	3,400,000	(2/87)
3.	Storer Cable Communications	1,389,000	(12/86)
4.	Cox Cable Communications	1,355,195	(1/87)
5.	Continental Cablevision	1,339,000	(10/86)
6.	Warner Cable Communications Inc	1,309,000	(1/87)
7.	Comcast	1,103,145	(9/86)
8.	United Cable	1,080,137	(11/86)
9.	Newhouse Broadcasting	1,002,340	(11/86)
10.	Heritage Communications Inc	978,547	(12/86)
11.	Viacom Cablevision	940,000	(11/86)
12.	Jones Intercable	902,023	(2/87)
13.	Times Mirror Cable Television Inc	836,077	(11/86)
14.	Sammons Communications Inc	817,842	(12/86)
15.	UA Cablesystems Corp	753,363	(11/86)
16.	Cablevision Systems Corp	687,000	(12/86)
17.	Century Communications Corp	600,000	(12/86)
18.	Rogers Cablesystems Inc	555,589	(10/86)
19.	Paragon Cable	550,000	(1/87)
20.	Telecable Corp	489,437	(11/86)
21.	Daniels & Associates	452,825	(9/86)
12.	American Cablesystems Corp	421,916	(12/86)
23.	McCaw Communications	416,545	(10/86)
24.	Centel Cable	384,825	(10/86)
25.	Falcon Cable	379,000	(12/86)
26.	Post-Newsweek	365,366	(10/86)
27.	Cable Vision Industries	357,077	(12/86)
28.	Scripps-Howard	349,155	(10/86)
29.	Adelphia Communications	346,707	(12/86)
30.	Wometco Cable TV Inc	336,820	(1/87)
31.	TCA Group	294,702	(8/86)
32.	Multimedia Cablevision	293,704	(12/86)
33.	Prime Cable Corp	272,843	(11/86)
34.	Colony Communications Inc	253,263	(11/86)
35.	Maclean Hunter Cable TV Ltd	242,593	(10/86)
36.	Lenfest Group	233,806	(12/86)
37.	Western Communications	230,000	(1/87)
38.	Tele-Media	215,000	(7/86)
39.	Communications Service Inc	210,000	(12/86)
40.	Rifkin & Associates	200,000	(1/87)
41.	Service Electric Cable TV Inc	195,000	(7/86)
42.	TKR Cable Co	186,139	(1/87)
43.	TCI-Taft	180,330	(11/86)
44.	Cencom Cable	177,793	(12/86)
45.	Sutton Capital Corp	166,561	(2/86)
46.	Hauser Communications Inc	165,000	(12/86)
47.	Adams-Russell Communications	156,000	(12/86)
48.	Harte-Hanks Communications	150,144	(12/86)
49.	Harron Communications	148,412	(12/86)
50.	Greater Media	146,409	(12/86)
51.	Armstrong Utilities	137,587	(12/86)
52.	Media General Inc	136,200	(11/86)
53.	Marcus Communications	134,119	(12/86)
54.	Televents Inc	128,734	(11/86)
55.	Harris Cable Corp	123,920	(11/86)
56.	Palmer Communications	122,378	(12/86)
57.	Summit Communications	115,405	(11/86)
58.	First Carolina Communications Inc	114,104	(1/87)
59.	The Essex Group	113,273	(12/86)
60.	U.S. Cable Corp	111,461	(12/86)
61.	Sonic Communications	110,000	(7/86)
62.	Blade Communications	105,000	(7/86)
63.	Columbia International	105,000	(1/87)
64.	Scott Cable Communications	105,000	(3/86)
65.	Multi-Channel TV Cable Inc	104,585	(12/86)
66.	Northland Communications	103,550	(1/87)
67.	Booth Communications	102,825	(11/86)
68.	Simmons Communications	101,720	(12/86)
69.	James Communications	95,000	(12/86)
70.	King Videocable	94,227	(11/86)
71.	M.L. Media Partners	94,000	(1/87)
72.	Perry Cable TV Corp	91,306	(8/86)
73.	McDonald Group	90,079	(8/84)
74.	Susquehanna Broadcasting	89,701	(10/86)
75.	WEHCO Video	85,807	(10/86)
76.	Midcontinent Cable Systems Co	79,821	(12/86)
77.	Bresnan Communications Co	78,170	(1/87)
78.	Pencor Services	76,857	(11/86)
79.	Omega Communications	74,213	(11/86)
80.	Wisconsin Cablevision and Radio Co	63,910	(1/87)
81.	Selkirk Communications	63,000	(11/86)
82.	C4 Media Corp	62,000	(9/86)
83.	Acton Corp	60,035	(1/87)
84.	Mountain Cable Co	56,270	(1/87)
85.	United Video Management	55,905	(12/86)
86.	Tidel Communications	55,442	(12/86)
87.	Helicon Corp	55,000	(11/86)
88.	Masada Corp	53,237	(7/86)
89.	Chambers Communications Corp	53,093	(12/86)
90.	Cardinal Communications	53,000	(12/86)
91.	Insight Communications	50,000	(2/87)
92.	Enstar Communications	49,974	(1/87)
93.	State Cable TV	47,933	(11/86)
94.	Joseph Gans Cable TV	46,532	(11/86)
95.	Dowden Cable	45,385	(1/87)
96.	Commonwealth Cable Systems	43,425	(1/87)
97.	Donrey Cablevision	43,423	(1/87)
98.	New England Cablevision	42,870	(12/86)
99.	North American Comm. Corp.	37,710	(6/86)
100.	Hearst Communications of California	37,016	(9/86)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217. * Includes portion of Group W subscribers.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	277,991	(1/87)
2.	Woodbury (Long Island), NY	Cablevision Co	275,162	(12/86)
3.	Manhattan, NY	ATC	219,600	(12/85)
4.	San Antonio, TX	Rogers	198,736	(11/86)
5.	Houston, TX	Warner	189,900	(11/86)
6.	East Orange, NJ	Maclean Hunter	184,841	(10/86)
7.	Seattle/Snohomish, WA	Viacom	171,000	(11/86)
8.	Honolulu, HI	ATC	164,300	(12/85)
9.	Louisville/Jeff. Co., KY	Storer Communications	155,000	(12/86)
10.	Cincinnati, OH	Warner	155,100	(1/87)
11.	Phoenix, AZ	Times Mirror	152,214	(11/86)
12.	Englewood, CO	United Cable	150,775	(12/86)
13.	Wayne, NJ	UA Cablesystems	149,685	(11/86)
14.	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
15.	Tulsa, OK	United Cable	143,684	(1/87)
16.	Rochester, NY	ATC	141,000	(1/87)
17.	Cherry Hills, NJ	NYT	140,105	(1/87)
18.	Hampton Roads, VA	Cox Cable	139,336	(1/87)
19.	Hartford/Plainville, CT	United Cable	136,705	(12/86)
20.	Jacksonville, FL	Continental	133,068	(2/87)
21.	Buffalo, NY	Adelphia Communications	132,209	(12/86)
22.	Atlanta, GA	Prime Cable Corp	132,133	(11/86)
23.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
24.	Seattle, WA	Tele-Communications Inc	127,000	(5/86)
25.	Fairfax, VA	Media General	125,991	(11/86)
26.	Baltimore County, MD	Comcast	122,730	(9/86)
27.	San Jose, CA	Gill Industries	119,100	(2/87)
28.	Erie County, NY	Prime Cable Corp	119,002	(11/85)
29.	Manhattan, NY	Paragon Cable	115,000	(5/86)
30.	Kansas City, MO	ATC	114,600	(12/85)
31.	Long Island, NY	Viacom	110,000	(11/86)
32.	Austin, TX	ATC	109,700	(12/85)
33.	Central Islip (Long Island), NY	Viacom	109,000	(9/86)
34.	Memphis, TN	ATC	106,900	(12/85)
35.	San Juan, PR	Harris Cable Corp	104,823	(11/86)
36.	Toledo, OH	Blade Communications	103,982	(4/86)
37.	Los Angeles, CA	Falcon	103,869	(4/86)
38.	San Francisco, CA	Viacom	103,000	(11/86)
39.	Warren, NJ	TKR	101,406	(2/87)
40.	Pompano, FL	American Cablesystems	99,137	(12/86)
41.	Dallas, TX	Heritage	97,253	(12/86)
42.	Jefferson Parish/Kenner, LA	Cox Cable	96,756	(1/87)
43.	Southeast Michigan	Comcast	96,454	(9/86)
44.	Pinellas County, FL	Vision Cable	93,980	(1/87)
45.	San Diego, CA	ATC	92,200	(12/85)
46.	Grand Rapids, MI	UA Cablesystems	91,480	(11/86)
47.	Wilmington, DE	Heritage	91,049	(12/86)
48.	Dade/Broward, FL	Storer	88,651	(12/86)
49.	Escondido, CA	Times Mirror	85,678	(9/86)
50.	Richmond, VA	Continental	85,631	(12/86)
51.	Pittsburgh, PA	Tele-Communications Inc	84,517	(6/86)
52.	Jackson/Monroe, MS	ATC	82,500	(12/85)
53.	Wichita, KS	Multimedia Cablevision	82,172	(12/86)
54.	Tacoma, WA	Viacom	81,048	(2/87)
55.	Indianapolis, IN	Indianapolis Cablevision Inc	80,969	(5/86)
56.	Boston, MA	Cablevision	79,100	(12/86)
57.	Charlotte, NC	ATC	78,700	(12/85)
58.	Harrisburg, PA	Sammons Communications	78,652	(12/86)
59.	Flint, MI	Comcast Cable	78,349	(9/86)
60.	Puget Sound, WA	Viacom	78,000	(9/86)
61.	Raleigh, N.C.	ATC	77,600	(12/85)
62.	Baton Rouge, LA	Daniels & Assocs	77,478	(1/87)
63.	South Texas, TX	Heritage	75,318	(12/86)
64.	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
65.	Greensboro, NC	ATC	74,100	(12/85)
66.	Santa Monica, CA	Century	74,000	(5/86)
67.	South Bend, IN	Heritage	73,166	(10/86)
68.	New Orleans, LA	Cox Cable	72,959	(1/87)
69.	Las Vegas, NV	Prime	72,293	(11/86)
70.	Orange County, CA	Times Mirror	72,124	(9/86)
71.	Nashville, TN	Viacom	72,000	(11/86)
72.	Cleveland Heights, OH	Viacom	71,000	(11/86)
73.	Contra Costa Co. CA	Televents	70,665	(11/86)
74.	Milwaukee, WI	Warner	70,182	(11/86)
75.	Allentown, PA	Service Elec	70,000	(7/86)
76.	Akron, OH	Warner	69,055	(11/86)
77.	Fayetteville, NC	ATC	69,000	(9/86)
78.	Columbus, OH	Warner	69,500	(1/87)
79.	Little Rock, AR	Storer	68,354	(12/86)
80.	Omaha, NE	Cox Cable	67,695	(12/86)
81.	Medford Complex (Boston Suburbs), MA	Warner	67,400	(11/86)
82.	Birmingham, AL	ATC	66,200	(11/86)
83.	Ocean County, NJ	Adelphia	66,051	(6/86)
84.	Des Moines, IA	Heritage	65,953	(12/86)
85.	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
76.	New Haven, CT	Storer	64,975	(12/86)
87.	St. Petersburg, FL	Paragon Cable	64,478	(5/86)
88.	Sarasota, FL	Storer	64,069	(12/86)
89.	Syracuse (suburbs), NY	NewChannels Corp.	64,065	(9/86)
90.	Indianapolis,IN	ATC	64,000	(12/85)
91.	Greater Bridgeport, CT	Cablevision Co.	63,780	(12/86)
92.	Monterey, CA	Western Communications	63,731	(10/86)
93.	Oklahoma City, OK	Cox Cable	63,134	(1/87)
94.	Lower Fairfield Co., CT	Cablevision Co.	63,028	(12/86)
95.	Santa Barbara, CA	Cox Cable	62,678	(1/87)
96.	Winston-Salem, N.C.	Summit	62,238	(11/86)
97.	Madison, WI	Tele-Communications Inc.	62,099	(5/86)
98.	El Paso, TX	Group W (ATC)	62,000	(9/86)
99.	Charleston, S.C.	Storer	61,910	(12/86)
100.	Albany, GA	Storer	61,123	(12/86)

C4722-2
4/20/87

MARCH 16, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

NCTA BOARD SETS NEW FIRST AMENDMENT PRIORITIES

REDSTONE SAYS GOAL IS TO KEEP VIACOM INTACT

CABLE MONTH PREPARATIONS IN HIGH GEAR

BASIC NETWORK RATINGS JUMP SHARPLY

MSO REPORTS TO WALL STREET FUEL STOCK BOOM

LOCAL AD MARKET SHAKEOUT: CABLE RESHAPING STRATEGIES

16
1000
500
250
125
60
30
The Tax Preparer?
Pets Galore

CableVision

FRONT LINE

First Amendment stand 12
A somewhat shaky consensus has been forged among National Cable Television Association board members regarding the industry's posture on First Amendment questions.

Supreme Court issues pole ruling 14
The high court decided that the FCC has the authority to regulate pole attachment rates and conditions.

Redstone voices Viacom priorities 18
Sumner Redstone, having won the takeover battle for control of Viacom International, avers his intention to keep the empire together.

Showtime fortunes improve 18
Despite management turnovers and corporate takeovers, Showtime/The Movie Channel appears to be on solid ground, thanks to a mid-year turnaround in 1986 and operator support for its programming strategy.

Cable Month drawing near 22
Support for the April National Cable Month project is building, but leaders remain uncertain about how extensively operators will take advantage of the promotional opportunities.

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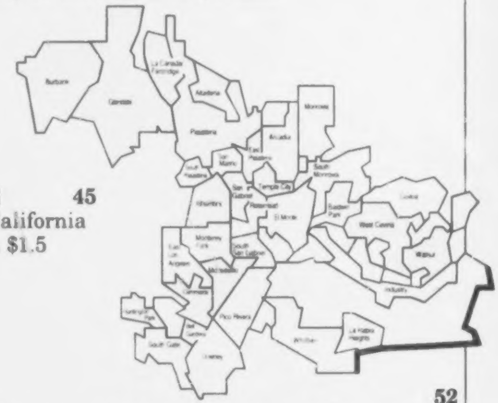
PROGRAMMING

Basic ratings surge 26
Nielsen figures released by the Cabletelevision Advertising Bureau reveal viewers are watching more programming on basic cable networks than ever before.

MARKETING

Systems successes tied to marketing agendas 42
Many operators are adopting plans to use proven management practices for marketing their product, but approaches vary widely between large and small systems, according to a national survey by Coopers and Lybrand.



Burbank
Glendale
La Canada Flintridge
Altadena
Pasadena
Monrovia
Arcadia
East Pasadena
San Marino
South Pasadena
South Monrovia
San Gabriel
Temple City
Rosemead
Alhambra
El Monte
Baldwin Park
Covina
West Covina
Monterey Park
South San Gabriel
East Los Angeles
Montebello
Walnut
Industry
Commerce
Huntington Park
Pico Rivera
Bell Gardens
South Gate
Whittier
La Habra Heights
Downey

ADVERTISING

Maximizing the local ad potential 45
Falcon Communications' Southern California operation expects to gross more than $1.5 million in ad sales this year.

FORUM

HDTV on the horizon 52
Cable has the spectrum space needed for high definition television, but many questions must be answered before this technology will be implemented.

LAW & REGULATION

States' eyes on cable 53
Cable lobbyists at the state level are likely to spend most of their time in 1987 battling unfavorable legislation on taxation, telco deregulation and access, according to an NCTA report.

BUSINESS

Stocks in cable riding high 54
Industry issues are rising even faster than the rampant Dow Jones average as MSOs deliver upbeat messages to Wall Street.

COVER STORY

Buying cable time 44
Despite a dearth of demographic information, local advertisers report the opportunity to use cable is reshaping their strategies, especially as interconnect organizations play an even bigger part in placement.
On the cover are frames from generic commercials supplied by Discovery Systems of Dublin, Ohio. Local advertisers need only to add their own tags.

Film product comparison-April

Film	Pay Networks					Distributor
Absolute Beginners					MAX	Orion
Across the Great Divide				DIS		Pacific Int'l
Act of Love					MAX	Paramount
Adventures of Huckleberry Finn, The	HBO	(ST)			(MAX)	Great Amwell
Adventures of Mark Twain				DIS*		Clubhouse Pictures
Adventures of the Wilderness Family				DIS		Pacific Int'l
After Hours	HBO				(MAX)	Warner Bros
Alamo Bay	HBO				(MAX)	Tri-Star
Alchemist, The	HBO				(MAX)	Vestron
Alfie					MAX	Paramount
All Mine to Give				DIS*		RKO Pictures
...And Justice for All					MAX*	Columbia
Anne of Greeen Gables				DIS		Wonderworks
Angel	HBO					New World
Animals are Beautiful People		ST	(TMC)		(MAX)	Warner Bros
April Fool's Day		ST				Paramount
April in Paris		ST			(MAX)	Warner Bros
Around the World in Eighty Days	HBO				(MAX)	Network
Arrangement, The					MAX	Warner Bros
At Close Range					MAX	Hemdale
Aviator, The	HBO				(MAX)	MGM/UA
Back to the Future	HBO	ST	TMC			Universal
Bad Manners	HBO	(ST)				New World
Bandit of Sherwood				(DIS)	MAX	Columbia
Basic Training					MAX	The Movie Store
Bedroom Eyes					MAX	Film Gallery
Beer	(HBO)				MAX	Orion
Bells Are Ringing				DIS		MGM/UA
Pest Revenge		ST	(TMC)		(MAX)	Lorimar
Big Bounce, The			TMC			Warner Bros
Big Gamble, The				DIS*		20th Century-Fox
Bill Cosby "Himself"	(HBO)	ST*			MAX	20th Century-Fox
Black and White in Color			TMC*			Centerpoint
Blind Rage	HBO					Cannon
Blood Alley			TMC*		(MAX)	Warner Bros
Blood Brothers					MAX	Warner Bros
Blood Simple			TMC		(MAX)	Circle
Blow Out	HBO	(ST)			(MAX)	Orion
Bobby Deerfield					MAX	Warner Bros
Born to Run				DIS		Disney
Born Yesterday			TMC*	DIS	(MAX)	Columbia
Boy Named Charlie Brown, A				DIS		CBS
Breakfast Club, The	(HBO)	(ST)	TMC		(MAX)	Universal
Brewster's Millions	HBO	(ST)			(MAX)	Universal
Bride, The	(HBO)				MAX	Columbia
Bridge on the River Kwai			(TMC)	DIS*	(MAX)	Columbia
Bring on the Night					MAX	S. Goldwyn
Bronco Billy					MAX	Warner Bros
Brother Can You Spare a Dime				DIS		Goldwyn
Buddy Holly Story, The				DIS		Columbia
Bully				DIS*		Goldwyn
Camel Boy, The				DIS		Cori Films
Care Bears Movie, The				DIS		Goldwyn
Care Bears Movie II				DIS		Columbia
Change of Seasons, A	HBO*					Film Finance
Clockwork Orange, A			TMC			Warner Bros
Clue		(ST)	TMC			Paramount
Cluny Brown				DIS		20th Century-Fox
Cocoon	(HBO)	(ST)	(TMC)		MAX*	20th Century-Fox
Code Name: Emerald	(HBO)		TMC			MGM/UA
Cold River	HBO					Pacific Int'l
Commando	HBO	(ST)			(MAX)	20th Century-Fox
Compromising Positions		(ST)	TMC*			Universal
Conan the Barbarian		ST*			(MAX)	Universal
Continental Divide	HBO	(ST)	(TMC)		(MAX)	Universal
Country			(TMC)	DIS*		Touchstone
Creator	HBO	ST			(MAX)	Universal
Crimes of Passion			TMC			New World
Cross Creek	HBO				(MAX)	Thorne-EMI
Crossroads					MAX	Columbia
Dangerously Close		ST				Cannon
Darby O'Gill and the Little People				DIS*		Disney
D.A.R.Y.L.		ST	(TMC)			Paramount
Devil Makes Three		ST				MGM/UA
Don't Go Near the Water		ST				MGM/UA
Dorothy in the Land of Oz	HBO					Oz Ltd.
Down and Out in Beverly Hills		ST*				Touchstone
Down Argentine Way			TMC		(MAX)	MGM/UA
Dream Wife		ST				MGM/UA
East of Eden			(TMC)		MAX	Warner Bros
Edge of the City			TMC			MGM/UA
Eleventh Victim					MAX	Paramount
Elie	HBO				(MAX)	Troma
Emerald Forest		ST	(TMC)			Embassy
Emmigrants, The					MAX	Warner Bros
End Game		ST				Muller Media
Enemy Mine	(HBO)	(ST)	(TMC)		MAX	Warner Bros
Enemy of the People, An					MAX	Warner Bros
Explorers			TMC*			Paramount
Exorcist, The					MAX	Warner Bros
Exorcist II the Heretic					MAX	Warner Bros
Final Conflict, The	HBO		TMC			20th Century-Fox
First Legion, The					MAX	Coe Films
Fletch	(HBO)	(ST)	TMC*		(MAX)	Universal
Forever Darling		ST			(MAX)	MGM/UA
Freaky Friday				DIS*		Disney
Fright Night	(HBO)				MAX*	Columbia
From Earth to the Moon				DIS*		RKO Pictures
Ghostbusters	HBO*				(MAX)	Columbia
Ghoulies	(HBO)				MAX	Vestron
Gotcha!	HBO	(ST)	(TMC)		(MAX)	Universal
Great Adventure		ST				Simcom
Great Dictator, The					MAX	20th Century-Fox
Great Gatsby, The					MAX	Paramount
Great Muppet Caper, The	HBO			(DIS)	(MAX)	ITC
Happy Hooker Goes to Hollywood, The		ST				Cannon
Happy Hooker Goes to Washington, The		ST*				Cannon
Hard Choices		ST	(TMC)		(MAX)	Lorimar
Head Office	HBO				(MAX)	Silver Screen
Heavenly Kid, The	HBO				(MAX)	Orion
Highlander	(HBO)	ST*				20th Century-Fox
Hollywood Knights, The	HBO*					Columbia
Home in Indiana				DIS		RKO Pictures
House at 12 Rose Street, The		ST				J. Phillips
House of Dies Dreer, The				DIS		Wonderworks
Howling II	HBO				(MAX)	Hemdale
I Married the Klondike				DIS*		Canadian Broadcasting Corp
In Search of the Castaways				DIS		Disney
Invasion USA		ST	(TMC)			Cannon
Iron Mistress, The			TMC			Warner Bros
Jake Speed	HBO					New World
Jazz Singer, The		(ST)	(TMC)		MAX	Warner Bros
Jesus			TMC			Warner Bros
Jim Thorpe-All American		ST			(MAX)	Warner Bros.
Joey	(HBO)		(TMC)		MAX	Satori
Johnny Dangerously	HBO				(MAX)	20th Century-Fox
Julius Caesar		(ST)	TMC			MGM/UA
Just One of The Guys	HBO				(MAX)	Columbia
Kelly				DIS		Paramount
Kidco	HBO*	ST	(TMC)			20th Century-Fox
Kid Colter	HBO*					The Movie Store
Kid from Left Field, The				DIS*		20th Century-Fox
Killing Fields, The	(HBO)		TMC*		(MAX)	Warner Bros
Killing Party	HBO					MGM/UA
Kim		ST			MAX	MGM/UA
King Richard and the Crusaders					MAX	Warner Bros.
Kiss of the Spider Woman			TMC*			Embassy
Knight Without Armour				DIS*		Goldwyn
L'addition					MAX	New World
Ladyhawke	HBO	(ST)	(TMC)		(MAX)	Warner Bros.
Last Innocent Man	HBO					Maurice Singer
Last of Sheila			TMC			Warner Bros.
Last Time I Saw Paris		ST			(MAX)	MGM/UA
Latin Lovers		ST				MGM/UA
Kenny			TMC			MGM/UA
Lion in the Desert					MAX	Magnum
Little Boy Lost				DIS*		Adler Video Mktg.

Film	Pay Networks					Distributor
Little Boy Lost				DIS*		Adler Video Mktg
Little Treasure	HBO					Tri-Star
Lone Wolf McQuade					MAX	Tri-Star
Long Day's Journey Into Night		ST				Showtime
Longshot, The	(HBO)	(ST)	(TMC)		MAX	Orion
Lost in America	(HBO)	(ST)	TMC		(MAX)	Warner Bros
Mad Max Beyond Thunderdome	(HBO)	(ST)	(TMC)		MAX*	Warner Bros
Malibu Express			(TMC)		MAX	Malibu Bay
Man Who Came to Dinner, The					MAX	MGM UA
Manny's Orphans		ST	(TMC)			Castle Hill
Man With One Red Shoe, The	(HBO)		TMC*			20th Century-Fox
Mask		(ST)	(TMC)		MAX*	Universal
Master of Ballantrae, The		(ST)			MAX	Warner Bros
Matter of Life and Death, A	HBO					Lorimar
Meet the Wombles		ST				Satori
Member of the Wedding				DIS*	(MAX)	Columbia
Miscief	(HBO)	(ST)	TMC		MAX	20th Century-Fox
Modern Behavior			TMC			Ho-tel Inc
Modern Problems			TMC			20th Century-Fox
Money Pit, The	HBO	ST	TMC		MAX	Universal
Montana Territory					MAX	Columbia
Mountain Family Robinson				DIS*		Simcom
Mr. Blanding Builds His Dream House					MAX	RKO Pictures
Mr. Love					MAX	Warner Bros
Mrs. Soffel	HBO				(MAX)	MGM UA
Murphy's Law		ST	TMC			Cannon
My Fair Lady				DIS		CBS
My Man Adam	HBO				(MAX)	Tri-Star
My Science Project		ST*			(MAX)	Disney
Mystery Mansion	(HBO)	ST				Pacific Int'l
National Lampoon's European Vacation	(HBO)				MAX*	Warner Bros
Neighbors					MAX	Columbia
Neptune's Daughter			TMC*			MGM/UA
Never Cry Wolf				DIS*		Disney
New Land, The					MAX	Warner Bros
Night Crossing				DIS		Disney
Nightmare on Elm Street, A	(HBO)		TMC*			New Line Cinema
Night the Lights Went Out in Georgia, The	HBO				(MAX)	Viacom
Ninja III The Domination	HBO		(TMC)			Cannon
Nomads		ST				Atlantic
Off Beat		ST				Touchstone
Oh God! Book II	HBO					Warner Bros
One Too Many	HBO					Learning
On the Waterfront					MAX	Columbia
Opposite Sex, The		ST				MGM UA
Pale Rider	(HBO)	(ST)	(TMC)		MAX	Warner Bros.
Perils of Gwendoline, The		ST	(TMC)		(MAX)	Goldwyn
POW: The Escape		ST*				Cannon
Private Resort	(HBO)				MAX	Tri-Star
Prodigal, The			TMC*			MGM UA
Quest, The				DIS*		Miramax
Rascal				DIS		Disney
Red Balloon, The	HBO					Janus
Reluctant Debutante, The				DIS		MGM UA
Revolution	(HBO)				MAX	Warner Bros
Richard Pryor Here and Now	HBO				(MAX)	Columbia
Richard Pryor Live in Concert	HBO		(TMC)		(MAX)	G P Biller
Ride Vaquero!		(ST)			MAX	MGM UA
Road Warrior, The		ST	TMC		MAX	Warner Bros
Rocky IV	HBO				(MAX)	MGM/UA
Royal Wedding		ST*		DIS*		MGM/UA
Runaway Train		(ST)	TMC			Cannon
Running Brave	HBO					Disney
Sahara			TMC			Viacom
Savage Harvest	HBO				(MAX)	Savage
Say Yes	HBO					Cinetel
Scarecrow			TMC		MAX	Warner Bros
Scream of Fear					MAX	Columbia
Secrets of a Mother and Daughter	HBO					Columbia
Seven Days to Noon			TMC*			New Century
Seven Minutes to Heaven	HBO					Warner Bros.
Silent One, The			TMC	(DIS)		Satori
Silver Bullet			TMC			Paramount
Silver Chalice, The			(TMC)		MAX*	Warner Bros.
Sinbad and the Eye of the Tiger	(HBO)			DIS		Columbia
Sky High	HBO					Formjax
Slayground	HBO					Thorn-EMI
Smooth Talk					MAX	Int'l Spectrafilm
S.O.B.	(HBO)	ST	(TMC)		(MAX)	Lorimar
Solo				DIS*		Dayton Stewart
Son of Fury				DIS*		20th Century-Fox
Spanish Main, The				DIS		RKO Pictures
Spies Like Us	(HBO)				MAX	Warner Bros.
Squizzy Taylor	HBO					Satori
Stage Struck				DIS		RKO Pictures
Start the Revolution Without Me			TMC			Warner Bros
Static			TMC			Siren
Story of Will Rogers, The					MAX	Warner Bros
Sterile Cuckoo, The					MAX	Paramount
Straight Time			(TMC)		MAX	Warner Bros
Strange Companions				DIS*		Disney
Strip, The			TMC			MGM UA
Summer Rental		(ST)	TMC			Paramount
Sure Thing, The		(ST)	TMC*			Embassy
Sword in the Stone				DIS		Disney
Taps	ST				MAX	20th Century-Fox
Terry Fox Story, The	HBO					R. Cooper
Test of Love, A	HBO					Universal
Texas Carnival			TMC			MGM UA
That's Dancing!	HBO				(MAX)	MGM UA
These Thousand Hills				DIS*		20th Century-Fox
Thief Who Came to Dinner			TMC			Warner Bros
Those Glory, Glory Days			TMC			Film Gallery
Three Caballeros, The				DIS		Disney
Tigers in Lipstick					MAX	Castle Hill
Time Bandits	HBO	ST	TMC			Embassy
Tomboy		ST			MAX*	Crown
Tom Sawyer				DIS*		MGM UA
Top Hat				DIS	(MAX)	RKO Pictures
Torment					MAX	New World
Trancers	HBO		(TMC)		(MAX)	Vestron
Transylvania 6-5000					MAX	New World
Trenchcoat					MAX	Disney
Turk 182!	HBO	ST			(MAX)	20th Century-Fox
Twice in a Lifetime		(ST)	TMC			Roberts
Urgh! A Music War		ST	(TMC)			Lorimar
Vanishing Prairie, The				DIS		Disney
Venus					MAX	Goldfarb
Verdict, The		ST	TMC			20th Century-Fox
Vindicator					MAX	20th Century-Fox
Vision Quest			TMC		(MAX)	Warner Bros
Warrior and the Sorceress, The	(HBO)	ST				New Horizons
Weird Science	(HBO)		(TMC)		MAX*	Universal
What Comes Around					MAX	Simcom
When Father Was Away on Business			TMC			Cannon
When Nature Calls			TMC			Troma
When You Comin' Back, Red Ryder?			TMC			Viacom
Wind in the Willows, The				DIS*		D.L. Taffner
Woman Called Golda, A					MAX	Paramount
Yentl	HBO		(TMC)			MGM UA
Young Man with a Horn			(TMC)		MAX	Warner Bros
Young Man with Ideas			TMC			MGM UA
Young Sherlock Holmes		(ST)	TMC			Paramount

Cable Network Legend
HBO—Home Box Office
ST—Showtime
TMC—The Movie Channel
DIS—The Disney Channel
MAX—Cinemax

- Networks in parentheses indicate carriage in November, December, January, February and/or March
- An asterisk indicates the film is a carry-over from November, December, January, February and/or March
- In total, 280 films appear on the April schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 14 have played on four of the five services, 26 have played on three, and 80 have played on two of the five services. One hundred and sixty titles on the April schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles on pay TV in April is Warner Bros. with 42, followed by MGM/UA with 30, 20th Century-Fox with 22, Columbia with 19 and Paramount with 19.
- Titles subject to change.

CABLE STATS

Cable services subscriber count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	245	4,900,000
Alternate View Network	206	2,500,000
American Movie Classics	1,000	4,000,000
Arts & Entertainment (A&E)	2,300	22,000,000
Black Entertainment Television (BET)	756	11,521,407
Cable News Network (CNN)	10,122	38,456,000
Cable Value Network	500	10,000,000
C-SPAN	2,400	26,000,000
C-SPAN II	288	7,592,922
CBN Cable Network	7,796	34,086,000
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	470	6,700,000
The Discovery Channel	1,500	14,000,000
ESPN	14,700	39,300,000
Eternal Word Television Network (EWTN)	363	6,300,000
Financial News Network (FNN)	1,450	24,000,000
GalaVision	252	425,000
Headline News	3,730	22,724,000
Hit Video USA	41	1,700,000
Home Shopping Network	722	11,613,217
Home Shopping Network 2	245	5,820,000
International Television Network	42	20,130,000
The Learning Channel	820	7,406,354
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,050	29,000,000
Music Television (MTV)	4,490	32,600,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	247	5,569,000
Nickelodeon	4,770	30,300,000
The Nostalgia Channel	185	850,000
PTL The Inspirational Network	1,678	15,000,000
QVC Network	450	10,500,000
Score	1,050	19,000,000
Rock Christian Network	9	886,000
Silent Network	206	6,800,000
Sky Merchant	12	600,000
Sweepstakes Channel	N/A	N/A
TelShop	750	10,500,000
Tempo Television	665	12,500,000
The Travel Channel	40	5,000,000
Trinity Broadcasting Network	471	6,387,000
Univision	383	33,673,000
USA Network	8,500	35,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	NA	NA
The Weather Channel	2,400	24,000,000
WGN-TV	9,365	22,481,000
WOR-TV	2,097	9,105,083
WPIX-TV	270	2,471,000
WTBS-TV	11,249	39,330,000

Pay services

Bravo	300	400,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	620	610,000
Showtime	3,200	5,400,000

Audio services

Cable Radio Network	31	1,600,000
JazzAmerica	NA	NA
KKGO Super Jazz	11	98,521
Moody Bible Institute	59	868,516
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	157	1,201,000

Text services

Text services	Affiliates	Subscribers
AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	30	2,068,000
DBC/MarketWatch	50	NA
Electronic Program Guide (EPG)	364	6,972,000
EPG Jr.	77	78,610
Genesis Cable Storytime	35	1,310,000
Reuters News View	325	3,250,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	150	5,600,000
Fuji Network	3	12,000
Nippon Golden Network	3	12,000
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	155,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	38.7	1,300,000
The Ecumenical Channel	7	149,000
KTVT	133	1,891,000
Life Newsvision	35	50,000
Madison Square Garden	83	2,015,000
Meadows Racing Network	14	446,000
News 12 Long Island	7	500,000
Prime Cable	8	318,204
Prime Ticket	207	1,600,000
SportsVision (Chicago)	38	610,000
Texas Cable Network	15	646,000

Pay services

Dodgervision	44	935,000
Home Sports Entertainment—Houston/Dallas	119.5	216,000
Home Team Sports	100	500,000
New England Sports Network	156	172,178
PRISM-Philadelphia	90	370,000
Pro-Am Sports	128	160,000
SportsChannel (New England)	135	363,000
SportsChannel (New York)	66	562,000
Z Channel	25	89,500

Announced services

Satellite-fed services	Expected launch
Americana Network	3rd Quarter 1987
American Catalog Shopper's Network	4/87
Apollo Entertainment Television	TBA
Barter Resources Shopping Network	3rd Quarter 1987
The Book Channel	TBA
Comedy Television	1st Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
EventTelevision	1st Quarter 1987
The Fashion Channel	2nd Quarter 1987
Gospel Music Network	3/87
International Business Network	2nd Quarter 1987
International Cablecasting's Cable Radio Network	9/87
Movie Time	6/87
Ozark Mountain Network	(2/87)
The Preview Network	3/87
Telaction	6/87
Tunnelvision	10/87
Vacation Travel Network	6/87
Video Shoppng Center (Telstar/LBS)	4/87
World Travel Network	1st Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available. TBA denotes to be announced.

MARCH 30, 1987

[redacted]

CableVision

C4722-2
3/27/87

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

ESPN'S NFL WIN RAISES FEE QUESTION

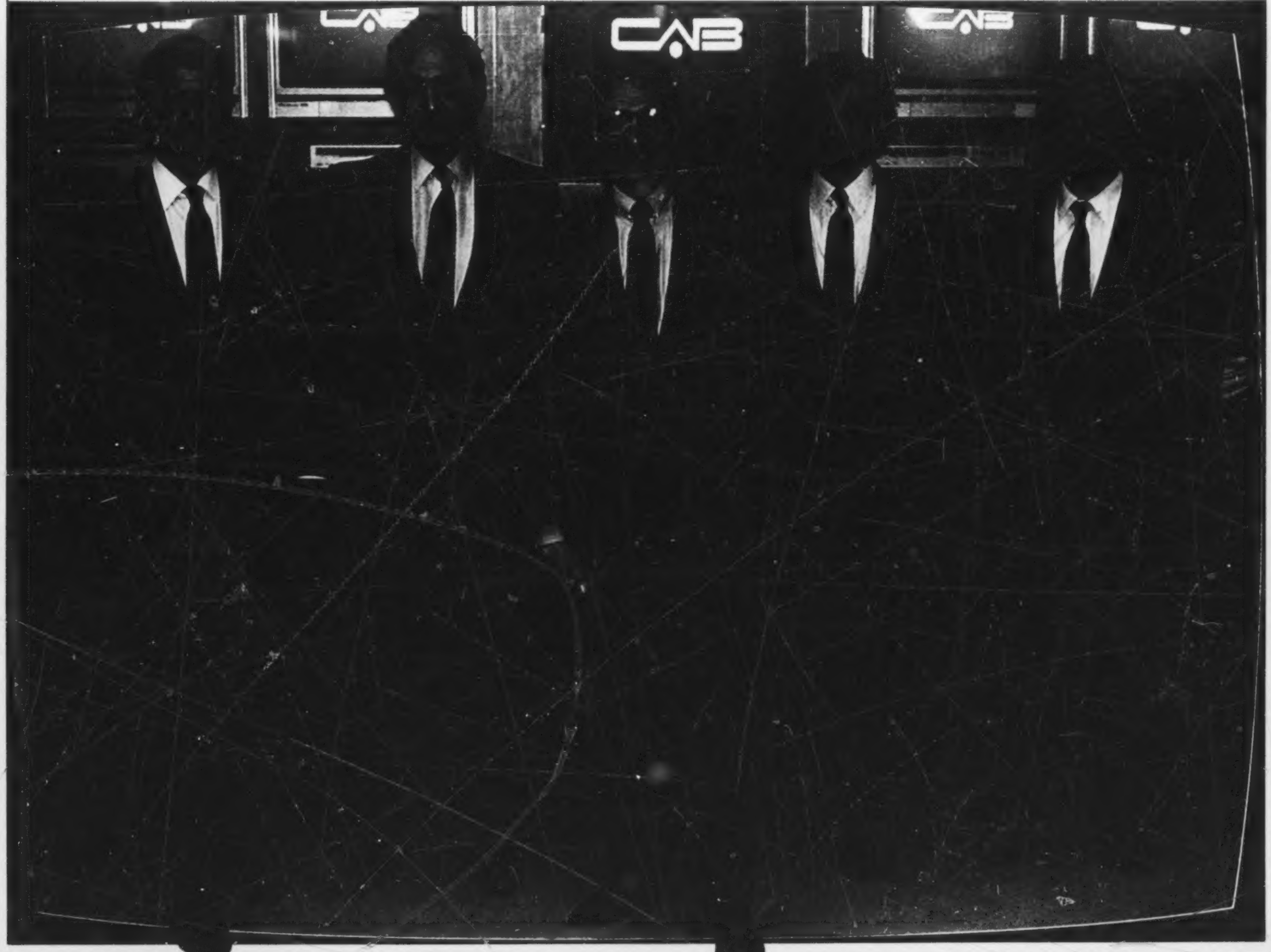
CITIES WARY ABOUT OVERBUILD BIDS

AMERICAN CABLESYSTEMS SETS PPV STRATEGY

MEDIA WARS: THE B'CAST/CABLE TREND LINE

R&D PUSH KEEPS NEW PRODUCT FLOW STRONG

WAKING UP MADISON AVE.: ALL STOPS OUT AT THE CAB



CableVision

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With many uncertainties eliminated and the ownership/management arrangement in place, the Cleveland venture between Ohio Bell and Viacom is ready to start construction.

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Manufacturers are not letting up in their search for new solutions to the equipment needs of cable operators. Roundup includes a review of new products introduced over the past year.

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The Cabletelevision Advertising Bureau has grown into a broad-based, sophisticated agency for ensuring cable interests are represented on Madison Ave. The CAB's management team includes, left to right, Rad Stone, vice president, national marketing; Vince Fazio, vice president, finance; Bob Alter, president and CEO; Jack Hill, vice president, research; Ron Fischmann, vice president, local sales. Photo by Candace Drake.

Pay Per View Supply Chart

April

Source

Bullies (4/1) **Universal**
MPAA Rating: R Running Time: 96 mins.
Cast: Janet Laine Green, Jonathan Crombie, Stephan B. Hunter.

Dancing in the Dark (4/20) **HBO Enterprises**
MPAA Rating: PG-13 Running Time: 98 mins.
Cast: Martha Henry, Neil Monroe.

Ferris Beuller's Day Off (4/1) **Paramount**
MPAA Rating: PG-13 Running Time: 103 mins.
Cast: Matthew Broderick, Mia Sara, Jeffrey Jones.

The Fly (4/15) **20th Century-Fox**
MPAA Rating: R Running Time: 100 mins.
Cast: Jeff Goldblum, Geena Davis.

Heathcliff: The Movie (4/22) **Paramount**
MPAA Rating: G Running Time: 74 mins.
Cast: Animated.

Hey There, It's Yogi Bear (4/22) **Paramount**
MPAA Rating: G Running Time: 89 mins.
Cast: Animated.

Legal Eagles (4/9) **Universal**
MPAA Rating: PG-13 Running Time: 116 mins.
Cast: Robert Redford, Deborah Winger, Darryl Hannah.

A Man and a Woman (4/7) **Warner Bros.**
MPAA Rating: NR Running Time: 102 mins.
Cast: Anouk Amiee, Jean-Louis Trintignant, Pierre Barough, Valerie LaGrange.

A Man and a Woman: 20 Years Later (4/7) **Warner Bros.**
MPAA Rating: PG Running Time: 112 mins.
Cast: Anouk Amiee, Jean-Louis Trintignant, Richard Berry, Evelyn Bouix.

Men's Club (4/22) **Paramount**
MPAA Rating: R Running Time: 101 mins.
Cast: Roy Scheider, David Dukes, Frank Langella.

Modern Girls (4/1) **Paramount**
MPAA Rating: PG-13 Running Time: 84 mins.
Cast: Daphne Zuniga, Virginia Madsen, Cynthia Gibb.

The Name of the Rose (4/1) **20th Century-Fox**
MPAA Rating: R Running Time: 129 mins.
Cast: Sean Connery.

Nobody's Fool (4/15) **Lorimar**
MPAA Rating: PG-13 Running Time: 107 mins.
Cast: Rosanna Arquette, Eric Roberts.

Shadow Play (4/30) **HBO Enterprises**
MPAA Rating: R Running Time: 98 mins.
Cast: Dee Wallace Stone, Cloris Leachman.

Soul Man (4/2) **HBO Enterprises**
MPAA Rating: PG-13 Running Time: 104 mins.
Cast: C. Thomas Howell, Rae Dawn Chong, James Earl Jones, Ron Reagan.

Steaming (4/30) **HBO Enterprises**
MPAA Rating: R Running Time: 96 mins.
Cast: Vanessa Redgrave, Sarah Miles, Diana Dors.

Source

Stewardess School (4/1) **Columbia**
MPAA Rating: R Running Time: 87 mins.
Cast: Donny Most, Audrey Landers, Sandahl Bergman.

Tough Guys (4/23) **Touchstone**
MPAA Rating: PG-13 Running Time: 104 mins.
Cast: Burt Lancaster, Kirk Douglas.

Where the River Runs Black (4/1) **MGM/UA**
MPAA Rating: PG Running Time: 96 mins.
Cast: Alessandro Rabelo, Charles Durning, Peter Horton.

Whoopee Boys (4/1) **Paramount**
MPAA Rating: R Running Time: 84 mins.
Cast: Michael O'Keefe, Paul Rodriguez.

May

Source

Blue Velvet (5/1) **Lorimar**
MPAA Rating: R Running Time: 120 mins.
Cast: Kyle MacLachlan, Isabella Rosellini, Dennis Hopper, Laura Dern.

The Color of Money (5/28) **Touchstone**
MPAA Rating: R Running Time: 120 mins.
Cast: Paul Newman, Tom Cruise, Mary Elizabeth Mastroantonio.

Deadly Friend (5/13) **Warner Bros.**
MPAA Rating: R Running Time: 90 mins.
Cast: Mathew Laborteaux, Kristy Swanson, Michael Sharritt.

Eat and Run (5/20) **HBO Enterprises**
MPAA Rating: R Running Time: 84 mins.
Cast: Ron Silver, Sharon Schlarth.

Jumping Jack Flash (5/21) **20th Century-Fox**
MPAA Rating: R Running Time: 105 mins.
Cast: Whoopi Goldberg, Carol Kane.

One Crazy Summer (5/13) **Warner Bros.**
MPAA Rating: PG Running Time: 93 mins.
Cast: John Cusack, Demi Moore, Curtis Armstrong.

A Place for Weeping (5/20) **HBO Enterprises**
MPAA Rating: PG Running Time: 88 mins.
Cast: James Whyle, Charles Comyn, Norman Coombes.

A Room with a View (5/1) **Cinecom**
MPAA Rating: NR Running Time: 115 mins.
Cast: Maggie Smith, Denholm Elliot, Judi Dench.

Solar Babies (5/28) **MGM/UA**
MPAA Rating: PG-13 Running Time: 94 mins.
Cast: Richard Jordan, Jamie Gertz, Jason Patric.

Top Gun (5/1) **Paramount**
MPAA Rating: PG Running Time: 110 mins.
Cast: Tom Cruise, Kelly McGillis, Val Kilmer.

Note: Running times are approximate. NR indicates film not rated by MPAA. Film information provided to International Thomson Communications Inc. by distributors.

Pay Per View Services Profile

Service:	**Cable Video Store**	**Request Television**	**Telstar Channels**	**Viewer's Choice**
Launch:	April 1,1986	November 27, 1985	June 5, 1986	November 26, 1985
Delivery:	Satcom 4, transponder 16	Galaxy 1, transponder 12	Interrum Standalone, presently testing on Telstar 303	VC-1 Satcom 3R, transponder 5 VC-2 Galaxy 1, transponder 16
Encryption:	VideoCipher II	VideoCipher II	Presently testing G. I. Starloc IV	VideoCipher II
Programming:	All movies, 24 hours per day 50-60 titles per month.	Two to four major motion pictures per week. special events	Channels 1&2: two major motion pictures on a biweekly rotation. Channel 3: three major motion pictures per week, special events	One major motion pictures per week special events
Subscribers:	Field trial basis; currently serving 10 MSO's nationwide. (2,500+ Impulse addressable subscribers)	Available in systems serving 2.7 million subs (1.8 million addressable)	Available in systems serving 74,000 subs (11,500 addressable).	Available in systems serving 2 million subs (1.6 million addressable)

MEDIA WATCH

Media wars report

NAB convenes amid upheaval in b'cast and cable dynamics

By Virginia Munger Kahn

In the media war between broadcasting and cable where the stakes are nothing short of domination of the video marketplace, broadcasters have emerged from the past year in worse shape than they've been in years. Advertising revenues have failed to keep up with costs, audience shares have continued to decline, and earnings have nose-dived.

The causes for these problems lie in the growing financial strength and attractiveness of alternative video programming, particularly cable television. While cable has been gaining strength for the past 10 years, its effects on the broadcasting industry are only now becoming significant enough to really hurt. The battle is far from over, though, and the broadcasting industry comes to the fight with an arsenal of weapons and relationships developed over a period of 40 years in the business.

The recent contract with the NFL is a case in point. Because the networks could not come up with the money the NFL wanted for that package of games, it was left to cable television to make up the difference—a clear sign of broadcasting's financial weakness at this time and cable's growing strength as an alternative medium for sports programming. But while cable television will finally have a shot at the type of programming that can attract significant audiences, the cable channel on which the NFL will appear is owned 80 percent by a broadcasting network.

The battle between cable and broadcasting is being fought on a number of fronts from programming to advertising and viewership, from investment opportunities to new employees. Broadcasting continues to dominate the programming and advertising environment, but cable is scoring plenty of points with the investment community and viewers, and it is making important inroads with advertisers. Meanwhile, each day brings fresh evidence of broadcasters' increasing difficulties with declining viewership, slowed advertising revenue growth, difficulties in the market for station sales, and a resultant financial performance that is no longer the envy of the rest of the media world.

It's no wonder that two of the three broadcast networks are either already involved in the cable industry or are talking about their interest in the business. ABC has its majority interest in ESPN, while last year NBC sought to acquire Turner Broadcasting's CNN, and it is still interested in launching its own cable channel. Robert Wright, NBC's new president, is the former head of Cox Cable and in a recent *Business Week* story said that as a result of the changes in the broadcasting market, he would look to expand NBC's audience through cable television. Only CBS's new management has expressed no interest in branching out into cable, and in fact, has sold off assets that are not considered germane to its primary business of broadcasting.

With many industry analysts predicting the advertising market can only support 2.5 networks over the long haul, observers should be able to see in graphic detail which network strategy proves most successful by the financial health of each of the networks over the next four to five years.

The bread and butter of all television, the fount from which all revenues flow, is viewership. Over the past 10 years, the broadcast networks have seen their share of the television audience drop from 93 percent to 76 percent today. During primetime, the most important daypart to the networks, their share of the audience has fallen from 89 percent in the 1978-'79 season to 73 percent in 1985-'86, a decline of almost 18 percent. Late-night network shares have fallen even more precipitously during the same time period from 78 percent to 54 percent, a decline of almost 30 percent in their audience.

While the erosion in network shares of audience are probably the best documented, broadcasters overall—including independent television stations, network affiliates and public television stations—have seen their shares decline. According to figures compiled by the Cabletelevision Advertising Bureau, all broadcasting received a 90 percent share in total TV households during the 1982-'83 season. Cable's share was 14 percent. (The numbers add up to more than 100 percent because of rounding and multiset usage.) By last year, cable's share of the audience on a full-week, 24-hour basis had risen to 19 percent, a better than 35-percent increase in viewership, while all broadcasting had declined by 6 percent to 81 percent of all viewing.

The biggest percentage increases in viewing were posted by the basic satellite cable services, which doubled in viewership from a 4 share to an 8 share from 1982 to 1986 in all television households. Not surprisingly, pay services remained flat at a 5 share.

In homes that are wired for cable the numbers are even more startling. Network shares have dropped from 59 percent in cable homes to 56 percent, while total broadcast viewership fell 6.5 percent during this period from 76 percent to 71 percent. While independent television stations are often thought to have siphoned off just as much viewing from the networks as cable, in cable households, viewing to independent television stations has fallen from 14 percent to 12 percent, a decline of 14 percent in the four years between 1982 and 1986. In cable households, the independent stations' loss has been cable's gain. Viewership to cable channels rose more than 13 percent during this period.

In fact, viewership of television overall has risen dramatically over the past 10 years. The data indicate that the more options people are given for viewing TV, the more they watch.

While most industry observers are reluctant to predict how far viewership of broadcasting stations can fall, many people now say that the decline has begun to slow and that broadcasters will always retain a core mass audience. "The bottom is not too far away (for the networks), and cable shares are flattening out," said Tony Hoffman, an investment banker at California's Union Bank and long-time observer of the media. While the flattening growth rates in cable's share of the audience may be more a function of an increasingly large base of viewership, Hoffman and other believers in broadcasting base their optimism about the industry on the perception that there will always be a need for a medium that can reach large audiences. "(The networks) are the only place to get 50 million people," noted Ed Atorino, broadcast industry analyst for Smith Barney Harris Upham. The cable networks are not mass items, contended Hoffman, and even when they put their best shows on, the broadcast networks attract audiences that are three or four times larger than the cable shows.

The highest rated shows on cable often reach levels of only a 4 or 5 with an occasional rating of a 6 or 8, as WTBS recorded with the movie *Rio Lobo* in January. In contrast, all top 20 shows on network television achieve ratings in excess of 18 every week.

That broadcasting dominance in attracting mass audiences will be the toughest hill for cable to climb. While some might argue that it is not as important for cable to attract that size viewership because its revenues are not based solely on advertising revenue, broadcasting's hold on the mass media domain will continue to provide it with tremendous financial clout in terms of the advertising revenues it can generate. "No one else can describe for me a medium more incredible than TV," said Bart McHugh, senior vice president at Doyle Dane Bernbach Needham, referring to broadcast tele-

Weekly Viewing in All Cable Households
Total Day

	1986		1985		% Change	1984		1983		% Change
Cable Services	Hrs:Mins	Share	Hrs:Mins	Share	'86 vs. '85	Hrs:Mins	Share	Hrs:Mins	Share	'84 vs. '83
Satellite Networks	8:84	15	8:02	15	+ 9	7:17	13	5:41	11	+28.2
Superstations	4:34	9	4:51	8	− 6	4:50	9	4:13	8	+14.6
Total Ad-Supported	13:18	24	12:53	23	+ 3	12:07	22	9:54	19	+22.4
Pay Services	5:06	9	6:10	11	−17	5:56	11	6:04	11	− 2.2
Broadcast Services										
Network Affiliates	30:38	56	30:27	55	+ 1	31:42	58	31:42	59	0
Independents	7:03	13	6:54	13	+ 2	6:54	13	7:27	14	− 7.4
Public	1:41	3	1:35	3	+ 6	1:29	3	1:34	3	− 5.3
Total Usage	54:38		54:57		− 1	54:52		53:30		+ 2.6

Weekly Viewing in Pay-TV Households
Total Day

	1986		1985		% Change	1984		1983		% Change
Cable Services	Hrs:Mins	Share	Hrs:Mins	Share	'86 vs. '85	Hrs:Mins	Share	Hrs:Mins	Share	'84 vs. '83
Satellite Networks	8:59	16	8:48	15	+ 2	8:11	14	6:29	11	+26.2
Superstations	4:28	8	4:53	8	− 8	4:54	8	4:20	8	+13.1
Total Ad-Supported	13:27	24	13:42	24	− 2	13:05	22	10:49	19	+21.0
Pay Services	9:17	16	10:21	18	−10	10:10	17	10:04	18	+ 1.0
Broadcast Services										
Network Affiliates	29:08	51	29:18	50	− 1	30:54	53	30:54	54	0
Independents	7:31	13	7:21	13	+ 2	7:17	13	8:16	14	−11.9
Public	1:30	3	1:32	3	− 1	1:27	2	1:27	3	0
Total Usage	57:00		58:16		− 2	58:16		57:15		+ 1.8

Weekly Viewing in Total-TV Households
Total Day

	1986		1985		% Change	1984		1983		% Change
Cable Services	Hrs:Mins	Share	Hrs:Mins	Share	'86 vs. '85	Hrs:Mins	Share	Hrs:Mins	Share	'84 vs. '83
Satellite Networks	4:13	8	3:54	8	+ 8	3:19	7	2:23	5	+39.2
Superstations	3:04	6	3:13	6	− 5	2:58	6	2:18	5	+29.0
Total Ad-Supported	7:17	15	7:07	14	+ 2	6:28	13	4:41	10	+34.2
Pay Services	2:28	5	3:00	6	−18	2:43	5	2:34	5	+ 5.8
Broadcast Services										
Network Affiliates	32:47	66	32:58	66	− 1	33:56	68	34:42	71	− 2.2
Independents	7:55	16	7:43	15	+ 3	7:43	15	7:53	16	− 2.1
Public	1:47	4	1:44	3	+ 4	1:36	3	1:37	3	− 1.0
Total Usage	49:49		50:06		− 1	49:53		49:12		+ 1.4

Source: A.C. Nielsen, prepared by Cabletelevision Advertising Bureau.

vision. Said Christopher Conley, senior vice president for ML Media Partners, a $188-million fund that invests in broadcasting and cable, "we feel people will always watch broadcast television." Cable television will continue to make inroads on broadcast viewership, but the major gains against the broadcasters have been made, and future cable growth will be slower, he indicated.

Broadcasting's continued domination of the advertising world is evident in the numbers compiled each year by McCann-Erickson's Senior Vice President and Director of Forecasting Richard Coen. According to his figures for 1986, advertisers spent 66 percent of their total television advertising budget on network and spot purchases, or $8.5 billion on network and $6.5 billion on spot out of a total budget of $22.4 billion. In contrast, cable advertising represented only a miniscule 4 percent of total spending, or $900 million. While that figure is double what it was four years ago, the percentile is still small.

Tony Hoffman is one industry observer who believes that level of commitment to cable is about right. While he concedes cable's share of advertising dollars will rise to about 6 to 7 percent, he believes the maximum the cable industry can expect from advertisers is 10 percent. Considering that the advertising-supported cable channels attract 14 percent of total viewership, Hoffman would place a 50-percent discount on that figure for that half of the homes in the U.S. that do not receive cable television.

Indeed, the rise in advertising revenue growth on cable television has begun to slow, but the primary reason is that the base has become increasingly large. Between 1982 and 1984, cable advertising revenue grew 55 and 62 percent, respectively, from $227 million to $572 million. By 1985 the growth rate had dropped off to 34 percent and in 1986 advertising revenue increased just 24 percent over the previous year. The total base, however, had risen from $767 million to $948 million. The CAB is projecting that in 1987 the rate of growth will be 21 percent and that over the next three years revenue will grow about 23 percent per year to a projected $1.9 billion by 1990.

Considering that cable networks have gained substantial viewership shares over the past five years, some analysts admit the industry is not getting its proper share of the television advertising pie. According to Kevin Burns, manager of broadcast and new technologies research at Oglivy & Mather, where cable is missing out is in the local advertising market. "Local cable is just beginning to grow," he said. "That's where you'll see local advertisers moving in. They're not as sophisticated as national advertisers."

While Burns and others believe there will always be a place for a mass advertising medium, they concede that in order for advertisers to get their message across these days, they have to buy cable. "It's true that average rating points are lower (for the networks)," said Kevin Burns, and in order to reach those people "you have to... buy cable and syndication." But "rarely is it a matter of one or the other," said Doyle Dane's McHugh. "You want a mass medium, but the product also appeals to a certain audience, so you put more frequency into those audiences," he said, referring to the targeted cable networks.

That need to use cable to supplement the growing fractionalization of the video market has translated into growth rates for cable television advertising which, while slowing for the medium itself, continues to out-perform the market for advertising in general. According to Coen's figures, network television advertising revenue grew just 3 percent in 1986, 45 percent below the gross national product, a common benchmark for judging advertising spending. In contrast, cable television advertising revenue grew 15 percent, far above the 5.4 percent posted by the GNP. Moreover, Coen predicts that in 1987, while most of the major media will increase at a rate close to the expected growth in the national economy, cable television will post double-digit gains once again.

While advertising revenues form only a part of the cable industry's revenue stream—in fact, it is still only a small part—the industry has been posting phenomenal growth rates in revenues overall, cash flows and margins over the past five years. This has been a function of declining capital commitments, increasing penetration rates and increased revenues per subscribing household. While the broadcasting industry remains a larger industry than cable television in terms of the total revenues generated by the companies involved in the business, cable's relative immaturity is evident in the superior growth performance of the business.

Data compiled on 58 publicly held companies in radio and television broadcasting by Veronis, Suhler & Associates showed they had revenues of over $12 billion in 1985 compared to $5.2 billion for 41 cable and pay television companies. Pretax operating income for the broadcasters surveyed totaled $2.3 billion compared to slightly more than $907 million for cable companies.

However, the compound annual growth rate in revenues of the cable companies from 1981 through 1985 totaled 32. 2 percent compared to 12.5 percent for the broadcasting companies. Operating income grew 29.6 percent on a compound basis over this period in cable, while the broadcasters posted gains of just 12.8 percent. While growth in revenues in broadcasting remained at 13 percent in 1982 and 1983, in 1984—an election and Olympic year—that growth rate hit 20. 5 percent, only to fall back preciptiously in 1985 to 3. 7 percent. In contrast, the cable companies started out with a phenomenal growth rate of 49 percent in 1982, which was then followed by a steadily declining rate of growth over the next two years, ending at 20 percent in 1985.

As the news out of New York has indicated and as Rich MacDonald, media analyst with the First Boston Corp., put it recently, the network business is a "horrible business and getting worse." Last year, analysts estimate only ratings-leader NBC made money on its network operations, approximately $200 million compared to a loss of $60 to $70 million at ABC and no gain or loss at CBS, on revenues of more than $2.2 billion at each of the networks. That perception that the networks are a poor business will impact the competition between cable and broadcasters to the extent that the investment community withdraws its support from broadcasting in general in favor of cable television.

In a recent report issued by County Securities USA, a subsidiary of the NatWest Investment Banking Group, analyst Barbara Dalton Russell wrote: "The broadcasting sector is vulnerable to a downward move. Prices should begin to reflect fundamentals and not optimistic buy-out values... Major factors affecting broadcast fundamental performance are gruesome—soft advertising, low inflation, intense competition from alternative viewing options, and sluggish economic performance. Network prospects are particularly poor... Very attractive opportunities do exist, however. The cable television industry is poised for substantial earnings growth and price appreciation."

Dalton Russell's dire forecasts for the broadcasting industry are not shared by all analysts, although most admit that 1987 will be a difficult year and that the restructuring now underway at the networks reflects fundamental changes underlying the broadcasting business. David Londoner, a long-time media analyst with Wertheim Schroder and Co., wrote in a recent issue of *Electronic Media* that broadcasting's recent difficulties would not be solved by the Olympics and election year of 1988. Between the coming of PeopleMeters, which are sure to show a further decline in network viewing, continuing problems in trying to cut costs—70 percent of the network's costs are wprogrammwing-related, not staff-related, and basic cable's increasing gains in viewership and resultant financial strength, "the next few years should be difficult" ones for the networks, wrote Londoner. The results will be continuing pressure on profits and a less hospitable environment for investors.

When Harvey Sandler, the founder of Sandler Associates, an investment firm based on Long Island, thinks about which business he would rather invest in—broadcasting or cable—he laughs. "It's a joke... cable makes a much better investment," he said. Not only are cash flows assured, but "you don't have to worry about advertising. When you set out a budget in cable, you know stability and growth are there." Moreover, the prospects for future revenue growth are promising as a result of the numerous channels cable operators control. "You've got 30 or 40 roads into the home, and all sorts of things can happen there, like Home Shopping," said Sandler.

Jeff Epstein, media analyst with First Boston, concurs with Sandler, to a point. He conceded that cable overall is probably a better business than broadcasting today. "Cable is a monopoly. The competition is greater in broadcasting." Moreover, cable has continuing price potential in terms of increased cable penetration and increased revenues per household, said Epstein.

But both Epstein and Sandler admit that while broadcasting may not be as good an investment these days as cable, the business itself is still an attractive one. "The broadcasting business has a bright future," said Epstein. Programming costs probably peaked this past year, he said, as a result of the diminution in the number of independent television stations, as several have gone dark for financial reasons, and the arrival of a plethora of new programming sources, such as Fox. While the restructuring at the networks "has a long way to go," according to Epstein, broadcasting "is still an excellent business, especially if inflation comes back."

But while broadcasting may continue to measure up well against other American businesses, its current difficulties are a direct result of the gathering strength and momentum of cable television and other video media. That optimistic outlook for cable's growth prospects and the dim outlook for broadcasting was made clear at a recent seminar in New York City. When a college student asked network executives Tony Malara, senior vice president at CBS, and Mark Mandala, president of ABC-TV, if he could find a job at one of the networks, they told the young man to look elsewhere—at Fox, at independent television stations and at cable television. "We own 80 percent of ESPN, and they're not cutting back," said Mandala. "Fox, cable and the indies are all still growing." ■

Media and Entertainment Industry Stock Price Performance

	Price			P/E			% Price Change			Relative P/E		
							12/31/83-12/31/84	12/31/84-12/31/85	12/31/85-12/31/86			
	12/31/84	12/31/85	12/31/86	12/31/84	12/31/85	12/31/86				12/31/84	12/31/85	12/31/86
Broadcasting												
CCB/ABC	$164.63	$224.50	$268.13	15.8	20.7	28.7	14%	36%	19%	158%	143%	176%
CBS	$72.38	$115.88	$127.00	7.2	15.9	15.5	9%	60%	10%	72%	110%	95%
Lin	$24.38	$37.13	$55.38	19.7	27.3	40.7	10%	52%	49%	196%	189%	249%
Taft	$62.38	$86.25	$115.00	13.2	23.4	102.7	11%	38%	33%	132%	162%	628%
Wghtd Avgs (c)	—	—	—	12.5	19.9	34.6	12%	48%	23%	124%	137%	212%
Cable TV												
ATC (e)	—	—	$16.38	—	—	39.0	—	—	—	—	—	239%
Cablevision(f)	—	—	$18.88	—	—	(d)	—	—	—	—	—	(d)
Comcast	$8.95	$14.92	$17.13	19.5	31.7	37.2	29%	67%	15%	194%	220%	228%
Heritage	$12.25	$21.00	$25.13	29.9	43.8	(d)	11%	71%	20%	297%	303%	(d)
Jones(g)	$4.00	$7.75	$11.38	13.3	33.7	27.1	-20%	94%	47%	133%	233%	166%
TCA(h)	$11.20	$22.40	$16.75	21.5	38.0	28.4	11%	100%	-25%	214%	263%	174%
TCI	$11.60	$18.32	$22.88	61.1	166.5	27.6	15%	58%	25%	607%	1152%	169%
United (g)	$13.67	$22.67	$25.75	54.7	52.7	83.1	21%	66%	14%	544%	365%	508%
Viacom	$15.25	$27.25	$39.50	13.7	25.0	(d)	-7%	79%	45%	137%	173%	(d)
Wghtd Avgs (c)	—	—	—	42.1	87.3	27.1	13%	69%	19%	419%	604%	166%
Entertainment												
MCA	$26.42	$49.25	$38.38	20.2	24.4	15.8	-7%	86%	-22%	201%	169%	97%
Time	$42.75	$62.13	$70.00	12.7	19.7	23.2	-32%	45%	13%	126%	136%	142%
Warner	$10.19	$18.69	$22.50	509.5	25.6	26.2	-24%	83%	20%	5069%	177%	160%
Wghtd Avgs (c)	—	—	—	119.2	22.9	21.9	-22%	70%	5%	1186%	158%	134%
Market Averages												
S&P 500	167.2	211.3	242.2	10.1	14.5	16.3	1%	26%	15%	—	—	—
DJIA	1211.6	1546.7	1896.0	10.7	16.1	16.0	-4%	28%	23%	—	—	—
NASDAQ OTC COM.	247.4	324.9	348.8	15.8	19.7	23.7	-11%	31%	7%	—	—	—
AMEX	204.3	246.1	263.3	19.9	16.9	29.2	-8%	20%	7%	—	—	—

NA Not Available. (a) P/E based on trailing 4 quarter earnings. (b) To S&P 500 P/E. (c) Capitalization weighted averages. (d) Deficit. (e) IPO Aug. '86. (f) IPO Jan. '86. (g) P/E for Jones and United based on trailing 4 quarter earnings ending Nov. 30, 1983, '84 and '85, and last reported quarter in '86 since their fiscal year end is May 31. (h) P/E for TCA Cable TV based on trailing 4 quarters for fiscal years ending Oct. 31, 1983, '84 and '85.

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,060	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
rvtime	3
HBO (West)	13
HSN2	2, 16
HTN	16
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
TV Decisions	24
Trinity Broadcasting Network	3
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Sports Entertainment	11
Home Team Sports	22
Innovations In Living (HSN2)	1
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner.
Source: International Thomson Communications Inc.

CABLE STATS

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1	Tele-Communications Inc	4,189,000	(12/86)
2	American Television and Communications Corp	3,400,000	(2/87)
3	Continental Cablevision	1,413,000	(1/87)
4	Storer Cable Communications	1,389,000	(12/86)
5	Cox Cable Communications	1,355,195	(1/87)
6	Warner Cable Communications Inc	1,309,000	(1/87)
7	Comcast	1,103,145	(9/86)
8	United Cable	1,080,137	(11/86)
9	Newhouse Broadcasting	1,002,340	(11/86)
10	Heritage Communications Inc	978,547	(12/86)
11	Viacom Cablevision	940,000	(11/86)
12	Jones Intercable	895,565	(3/87)
13	Times Mirror Cable Television Inc	847,009	(1/87)
14	Sammons Communications Inc	817,842	(12/86)
15	UA Cablesystems Corp	753,363	(12/86)
16	Cablevision Systems Corp	687,000	(12/86)
17	Century Communications Corp	600,000	(12/86)
18	Paragon Cable	550,000	(1/87)
19	Rogers Cablesystems Inc	535,207	(2/87)
20	Telecable Corp	489,437	(11/86)
21	Centel Cable	488,000	(2/87)
22	Daniels & Associates	472,876	(12/86)
23	McCaw Communications	434,444	(12/86)
24	American Cablesystems Corp	427,973	(1/87)
25	Scripps-Howard	390,000	(3/87)
26	Falcon Cable	379,000	(2/87)
27	Post-Newsweek	365,366	(10/86)
28	Cable Vision Industries	357,077	(12/86)
29	Adelphia Communications	346,707	(12/86)
30	Wometco Cable TV Inc	336,820	(1/87)
31	TCA Group	331,564	(2/87)
32	Prime Cable Corp	318,204	(1/87)
33	Multimedia Cablevision	294,804	(3/87)
34	Colony Communications Inc	253,263	(11/86)
35	Maclean Hunter Cable TV Ltd	250,215	(2/87)
36	Lenfest Group	233,806	(12/86)
37	Western Communications	230,000	(1/87)
38	Tele-Media	215,000	(7/86)
39	Communications Service Inc	210,000	(12/86)
40	Rifkin & Associates	200,000	(1/87)
41	Service Electric Cable TV Inc	195,000	(3/87)
42	TKR Cable Co	186,139	(1/87)
43	TCI-Taft	181,318	(1/87)
44	Cencom Cable	177,793	(12/86)
45	Hauser Communications Inc	165,000	(12/86)
46	Adams-Russell Communications	156,000	(12/86)
47	Harte-Hanks Communications	150,144	(12/86)
48	Harron Communications	148,412	(12/86)
49	Greater Media	146,409	(12/86)
50	Media General Inc	145,598	(2/87)
51	Sutton Capital Corp	137,798	(1/87)
52	Armstrong Utilities	137,587	(12/86)
53	Marcus Communications	134,119	(12/86)
54	Televents Inc	128,734	(11/86)
55	Palmer Communications	122,378	(12/86)
56	Summit Communications	115,568	(1/87)
57	First Carolina Communications Inc	114,104	(1/87)
58	The Essex Group	113,273	(12/86)
59	U.S. Cable Corp	111,461	(12/86)
60	Sonic Communications	110,000	(3/87)
61	Simmons Communications	109,100	(2/87)
62	Blade Communications	105,000	(7/86)
63	Columbia International	105,000	(1/87)
64	Scott Cable Communications	105,000	(3/86)
65	Multi-Channel TV Cable Inc	104,585	(12/86)
66	Northland Communications	103,550	(1/87)
67	Booth Communications	102,553	(2/87)
68	Perry Cable TV Corp	99,841	(1/87)
69	James Communications	95,000	(12/86)
70	King Videocable	94,327	(11/86)
71	ML Media Partners	94,000	(1/87)
72	Susquehanna Broadcasting	90,630	(1/87)
73	McDonald Group	90,079	(8/84)
74	WEHCO Video	86,758	(1/87)
75	Midcontinent Cable Systems Co	79,821	(12/86)
76	Bresnan Communications Co	78,170	(1/87)
77	Omega Communications	77,626	(1/87)
78	Pencor Services	76,857	(11/86)
79	Wisconsin Cablevision and Radio Co	63,910	(1/87)
80	Selkirk Communications	63,000	(11/86)
81	C4 Media Corp	62,000	(9/86)
82	Acton Corp	60,035	(1/87)
83	Mountain Cable Co	56,270	(1/87)
84	United Video Management	55,905	(12/86)
85	Tidel Communications	55,442	(12/86)
86	Masada Corp	53,503	(1/87)
87	Chambers Communications Corp	53,093	(12/86)
88	Cardinal Communications	53,000	(12/86)
89	Insight Communications	50,000	(2/87)
90	Enstar Communications	49,974	(1/87)
91	Hearst Communications of California	49,106	(2/87)
92	Helicon Corp	48,000	(2/87)
93	State Cable TV	47,933	(11/86)
94	Joseph Gans Cable TV	46,532	(11/86)
95	Dowden Cable	45,385	(1/87)
96	Commonwealth Cable Systems	43,425	(1/87)
97	Donrey Cablevision	43,423	(1/87)
98	CableAmerica	43,082	(1/87)
99	New England Cablevision	42,870	(12/86)
100	North American Comm. Corp	37,710	(6/86)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 systems

Rank	Location	Operator	Basic subs	
1	San Diego, CA	Cox Cable	278,173	(12/86)
2	Woodbury (Long Island), NY	Cablevision Systems Corp	277,462	(1/87)
3	San Antonio, TX	Rogers	220,510	(3/87)
4	Manhattan, NY	ATC	219,600	(12/85)
5	Houston, TX	Warner	189,900	(11/86)
6	East Orange, NJ	Maclean Hunter	184,841	(10/86)
7	Seattle/Snohomish, WA	Viacom	171,000	(11/86)
8	Honolulu, HI	ATC	164,300	(12/85)
9	Phoenix, AZ	Times Mirror	157,615	(1/87)
10	Cincinnati, OH	Warner	155,100	(1/87)
11	Louisville/Jeff. Co., KY	Storer Communications	155,000	(12/86)
12	Wayne, NJ	UA Cablesystems	152,460	(2/87)
13	Englewood, CO	United Cable	150,775	(12/86)
14	Tulsa, OK	United Cable	145,757	(2/87)
15	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
16	Rochester, NY	ATC	141,000	(1/87)
17	Cherry Hills, NJ	NYT	140,105	(1/87)
18	Hampton Roads, VA	Cox Cable	138,601	(12/86)
19	Hartford/Plainville, CT	United Cable	136,705	(12/86)
20	Fairfax, VA	Media General	135,098	(2/87)
21	Atlanta, GA	Prime Cable Corp	134,037	(1/87)
22	Buffalo, NY	Adelphia Communications	132,209	(12/86)
23	Jacksonville, FL	Continental	131,000	(1/87)
24	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
25	Seattle, WA	Tele-Communications Inc	125,000	(12/86)
26	Baltimore County, MD	Comcast	122,730	(9/86)
27	San Jose, CA	Gill Industries	119,100	(2/87)
28	Erie County, NY	Prime Cable Corp	119,002	(11/85)
29	Manhattan, NY	Paragon Cable	115,000	(5/86)
30	Kansas City, MO	ATC	114,600	(12/85)
31	Long Island, NY	Viacom	110,000	(11/86)
32	Austin, TX	ATC	109,700	(12/85)
33	Central Islip (Long Island), NY	Viacom	109,000	(9/86)
34	Memphis, TN	ATC	106,900	(12/85)
35	San Juan, PR	ML Media Partners	104,823	(11/86)
36	Toledo, OH	Blade Communications	104,435	(1/87)
37	San Francisco, CA	Viacom	103,000	(11/86)
38	Warren, NJ	TKR	101,406	(2/87)
39	Pompano, FL	American Cablesystems	100,436	(1/87)
40	Dallas, TX	Heritage	97,253	(12/86)
41	Jefferson Parish/Kenner, LA	Cox Cable	96,904	(12/86)
42	Southeast Michigan	Comcast	96,454	(9/86)
43	Pinellas County, FL	Vision Cable	93,980	(1/87)
44	San Diego, CA	ATC	92,200	(12/85)
45	Grand Rapids, MI	UA Cablesystems	91,480	(12/86)
46	Wilmington, DE	Heritage	91,049	(12/86)
47	Dade/Broward, FL	Storer	88,651	(12/86)
48	Escondido, CA	Times Mirror	87,586	(1/87)
49	Wichita, KS	Multimedia Cablevision	85,324	(3/87)
50	Pittsburgh, PA	Tele-Communications Inc	85,000	(12/86)
51	Jackson/Monroe, MS	ATC	82,500	(12/85)
52	Richmond, VA	Continental	81,403	(1/87)
53	Tacoma, WA	Viacom	81,048	(2/87)
54	Indianapolis, IN	Indianapolis Cablevision Inc	80,969	(5/86)
55	Boston, MA	Cablevision	79,100	(12/86)
56	Charlotte, NC	ATC	78,700	(12/85)
57	Harrisburg, PA	Sammons Communications	78,652	(12/86)
58	Flint, MI	Comcast Cable	78,349	(9/86)
59	Puget Sound, WA	Viacom	78,000	(9/86)
60	Raleigh, N.C.	ATC	77,600	(12/85)
61	Baton Rouge, LA	Daniels & Assocs	77,478	(1/87)
62	South Texas, TX	Heritage	75,318	(12/86)
63	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
64	Las Vegas, NV	Prime	74,879	(1/87)
65	Greensboro, NC	ATC	74,100	(12/85)
66	Santa Monica, CA	Century	74,000	(5/86)
67	New Orleans, LA	Cox Cable	73,579	(12/86)
68	Milwaukee, WI	Warner	73,625	(2/87)
69	South Bend, IN	Heritage	73,166	(10/86)
70	Orange County, CA	Times Mirror	72,863	(1/87)
71	Nashville, TN	Viacom	72,000	(11/86)
72	Cleveland Heights, OH	Viacom	71,000	(11/86)
73	Contra Costa Co. CA	Televents	70,665	(11/86)
74	Allentown, PA	Service Elec	70,000	(7/86)
75	Columbus, OH	Warner	69,500	(1/87)
76	Akron, OH	Warner	69,055	(11/86)
77	Fayetteville, NC	ATC	69,000	(9/86)
78	Little Rock, AR	Storer	68,354	(12/86)
79	Omaha, NE	Cox Cable	67,456	(12/86)
80	Medford Complex (Boston Suburbs), MA	Warner	67,400	(11/86)
81	Birmingham, AL	ATC	66,200	(11/86)
82	Ocean County, NJ	Adelphia	66,051	(6/86)
83	Des Moines, IA	Heritage	65,953	(12/86)
84	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
85	New Haven, CT	Storer	64,975	(12/86)
86	Syracuse (suburbs), NY	NewChannels Corp.	64,847	(3/87)
87	St. Petersburg, FL	Paragon Cable	64,478	(5/86)
88	Cook County, IL	Continental	64,272	(3/87)
89	Sarasota, FL	Storer	64,069	(12/86)
90	Indianapolis,IN	ATC	64,000	(12/85)
91	Greater Bridgeport, CT	Cablevision Co.	63,780	(12/86)
92	Monterey, CA	Western Communications	63,731	(10/86)
93	Winston-Salem, N.C.	Summit	63,227	(2/87)
94	Oklahoma City, OK	Cox Cable	63,099	(12/86)
95	Lower Fairfield Co., CT	Cablevision Co.	63,028	(12/86)
96	Madison, WI	Tele-Communications Inc.	63,000	(12/86)
97	Santa Barbara, CA	Cox Cable	62,268	(12/86)
98	El Paso, TX	Group W (ATC)	62,000	(9/86)
99	Charleston, S.C.	Storer	61,910	(12/86)
100	Westchester, CT	UA Cablesystems	61,450	(3/87)

CableVision

APRIL 13, 1987

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

C4722-2
4/16/87

REDSTONE CONTEMPLATES SHOWTIME REPOSITIONING

MUST-CARRY HEADED FOR CONGRESSIONAL AGENDA

FINANCIAL ROUNDTABLE: THE ACQUISITIONS GAME

CATA PANEL LOOKS AT BULK DISCOUNTING

EQUITY HARDER TO FIND BUT THERE FOR SMALL OPERATORS

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FRONT LINE

Operators' Showtime strategy 12
As leading operators scope out their options to shore up programming, they are offering Viacom owner Sumner Redstone a proposal involving equity investment in Showtime/The Movie Channel, with Showtime envisioned as a high-quality basic service.

Congress and must-carry 14
The Federal Communications Commission's revised must-carry rule is drawing fire from key congressmen, with the likelihood that hearings will be convened to consider legislation that would override the commission's plan.

Adult programming decision 18
The Supreme Court's endorsement of a lower court's overturning of the Utah legislation barring certain non-obscene programming from cable has significantly altered the legal climate for operators.

Warner rebound 20
Warner Communications' stock continues to rise, thanks in part to a turnaround in Warner Cable's fortunes. The successes have given company Chairman Steve Ross greater leverage in his ongoing feud with Chris-Craft representatives

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A forum held at the North Central Cable Television Association's annual convention presented the small operators' side of the debate over the propriety and legality of bulk discount pricing by vendors in cable.

LAW AND REGULATION

Court outlines FCC role in signal quality control 48
The Federal Communications Commission, cable operators and cities all saw reason to welcome an appeals court ruling that explains the latitude cities have to set cable signal standards. But in the long run, FCC oversight appears to have been vindicated.

BUSINESS AND FINANCE

Equity squeeze on small operators 49
The upbeat state of affairs in cable investment financing was reiterated at length in a recent Paul Kagan seminar, but it was apparent that the loss of the limited partnership market as a source of equity for smaller operators has made it harder for such firms to build an acquisitions war chest.

COVER STORY

Fuchs on a roll 22
HBO's fortunes are looking better than seemed possible during the dog days of early 1986. Improving penetration, successful programming ventures and operator satisfaction are among the developments vindicating the determined pursuit of Chairman Michael Fuchs' game plan through difficult times.

Film product comparison-May

Film	Pay Networks					Distributor
1001 Arabian Nights	HBO					Columbia
48 Hours		(ST)			MAX	Paramount
Across the Great Divide				DIS*		Simcom
Act of Violence					MAX	Paramount
Adventures of a Private Eye			TMC			Miramax
Adventures of the Wilderness Family				DIS*		Simcom
Agnes of God	HBO				(MAX)	Columbia
Amadeus		ST	(TMC)			Paramount
American Flyers			(TMC)		MAX	Warner Bros.
American in Paris, An			TMC		MAX	MGM/UA
American Ninja		ST	*TMC			Cannon
Angel and the Badman					MAX	Hal Roach
Animal Alphabet, The	HBO					Karl/Lorimar
Animals are Beautiful People	HBO	(ST)	(TMC)		(MAX)	Warner Bros.
Assault on Precinct 13	(HBO)		(TMC)		MAX	Goldwyn
Asterix and the Twelve Tasks				DIS		Gaumont
At Sword's Point				DIS		RKO
Baby...Secret of the Lost Legend	HBO		(TMC)		(MAX)	Disney
Bad Medicine	HBO		TMC		(MAX)	20th Century-Fox
Badlanders, The		(ST)	TMC	(DIS)	(MAX)	MGM/UA
Ballad of Gregorio Cortez, The			TMC			Embassy
Band of the Hand	HBO					Tri-Star
Bells are Ringing				(DIS)	MAX	MGM/UA
Best Revenge		ST	(TMC)		(MAX)	20th Century-Fox
Better Off Dead	*HBO					Warner Bros.
Beverly Hills Cop		(ST)	TMC			Paramount
Black Arrow				DIS		Disney
Black Moon Rising	(HBO)				MAX	New World
Blackout	HBO					Peregrine
Blue City		ST				Paramount
Blue Lagoon, The	HBO					Columbia
Blume in Love					MAX	Warner Bros.
Bombs Away					MAX	The Movie Store
Born to Run				*DIS		Disney
Born Yesterday			(TMC)	*DIS		Columbia
Boy Named Charlie Brown, A				*DIS		CBS
Breaking All the Rules	*HBO					New World
Breathless					MAX	Orion
Brewster's Millions	(HBO)	(ST)	TMC		(MAX)	Universal
Bridge on the River Kwai, The	HBO		(TMC)	(DIS)	(MAX)	Columbia
Brigadoon		(ST)		*DIS	*MAX	MGM/UA
Brother Can You Spare a Dime?				*DIS		Goldwyn
Buddy Holly Story, The	HBO			*DIS		Columbia
Biscuit Eater, The				DIS		Disney
By the Light of the Silvery Moon		ST			(MAX)	Warner Bros.
Can't Stop the Music	HBO				(MAX)	AFD (EMI)
Candidate, The	HBO		(TMC)			Warner Bros.
Capture of Grizzly Adams, The				DIS		Worldvision
Care Bears Movie, The				*DIS		Goldwyn
Care Bears Movie II, The				*DIS		Columbia
Certain Fury	HBO					New World
Christmas Mountain					*MAX	Christmas Mtn.
Cimarron			(TMC)		MAX	MGM/UA
Cocoon		ST	(TMC)		(MAX)	20th Century-Fox
Country			(TMC)	DIS		Touchstone
Critters	(HBO)				MAX	Warner Bros.
Cruel Sea, The			TMC			New Century
Cut and Run	HBO					New World
Daffy Duck's Movie	HBO	(ST)			(MAX)	Warner Bros.
Damned Don't Cry, The		(ST)			MAX	Warner Bros.
Dangerous When Wet				DIS		MGM/UA
Deadly Force	HBO		TMC			Embassy
Death Wish III		ST	(TMC)			Cannon
Delta Force, The		(ST)	TMC			Cannon
Desert Bloom	HBO					Columbia
Don't Go Near the Water		(ST)			MAX	MGM/UA
Don't Make Waves		ST				MGM/UA
Dragonslayer	HBO	ST				Paramount
Dream Chasers, The				DIS		Pacific Int'l.
Echo Park		ST				Atlantic
Eddie and the Cruisers	HBO	(ST)	(TMC)			Embassy
Elephant Man, The	HBO	(ST)	(TMC)		(MAX)	Paramount
Elvis on Tour			TMC			MGM/UA
Empire Strikes Back, The	(HBO)	(ST)	(TMC)		MAX	Lucasfilm
Eyes of a Stranger					MAX	Warner Bros.
Fallen Angel					MAX	Columbia
Family Business		ST				Weiner
Final Justice	*HBO					Simcom
Fire with Fire		ST				Paramount
Fletch	*HBO	(ST)	(TMC)		(MAX)	Universal
Forbidden World			TMC			Viacom
Foreplay					*MAX	Fox/Lorber
From Hell to Texas				DIS		20th Century-Fox
Fun and Fancy Free				DIS		Disney
Further Adventures of the Wilderness Family				DIS		Pacific Int'l.
Game of Death	HBO					Columbia
Gig, The					MAX	Castle Hill
Goodbye Emmanuelle		(ST)			MAX	Miramax
Grasshopper, The					MAX	Warner Bros.
Great Caruso, The	HBO			(DIS)		MGM/UA
Great Dictator, The			TMC		(MAX)	20th Century-Fox
Gremlins	*HBO				(MAX)	Warner Bros.
Gaurdian, The	HBO					Cooper
Gulag	HBO					Lorimar
Gung Ho		(ST)	TMC			Paramount
Hair			*TMC			MGM/UA
Hand, The					MAX	Warner Bros.
Happy Hooker Goes To Hollywood, The		*ST				Cannon
Hard Choices	HBO	(ST)	(TMC)		(MAX)	Lorimar
Haywire					MAX	Warner Bros.
Heated Vengeance	HBO		TMC			Transcon
Heaven with a Gun		ST				MGM/UA
Heidi	HBO					Warner Bros.
Here Come the Lillies				DIS		Paramount
Hills Have Eyes II, The		ST				Castle Hill
Hog Wild	HBO					Mutual
Home From the Hill	(HBO)	(ST)	(TMC)		MAX	MGM/UA
Home in Indiana				DIS		20th Century-Fox
House of Dries Drear, The				*DIS		Wonderworks
I'd Climb the Highest Mountain					MAX	20th Century-Fox
In Search of the Castaways				DIS		Disney
Invisible Boy, The				DIS		MGM/UA
Iron Eagle	(HBO)				MAX	Tri-Star
Iron Mistress, The			(TMC)		MAX	Warner Bros.
It Happened at the World's Fair		ST	(TMC)			MGM/UA
It's Not the Size that Counts		ST				Brenner
Jack and the Beanstalk				DIS		Columbia
James Joyce's Women			TMC			Universal
Jewel of the Nile, The	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox
Jo Jo Dancer, Your Life is Calling					MAX	Columbia
Joey			TMC		(MAX)	Satori
Julia			TMC			20th Century-Fox
Kelly				*DIS		Paramount
Killing Fields, The	(HBO)	ST	(TMC)			Warner Bros.
King Solomon's Mines			TMC			Cannon
Kiss Me Kate		(ST)		DIS		MGM/UA
LadyHawke	(HBO)	*ST	(TMC)		(MAX)	Warner Bros.
Last Hurrah, The				DIS		Columbia
Laurel and Hardy's Laughing 20's		ST				MGM/UA
Legend	HBO	ST				Universal
Legend of Billie Jean, The	HBO				(MAX)	Tri-Star
Lepke					MAX	Warner Bros.
Long Gone	HBO					Landsburg
Lost in America	HBO	(ST)				Warner Bros.
Love and Death			(TMC)		MAX	MGM/UA
Love Circles					MAX	Playboy
Love Me or Leave Me		ST	(TMC)			MGM/UA
Lucky 13					MAX	Skouras
Macaroni		(ST)	*TMC			Paramount
Making Love					MAX	20th Century-Fox
Man in the Wilderness	(HBO)		TMC			Warner Bros.
Man Who Came to Dinner, The			TMC			MGM/UA
Man with One Red Shoe, The		ST	(TMC)			20th Century-Fox
Manhattan			TMC			MGM/UA
Marie: A True Story		(ST)	TMC			TBS
Megaforce	HBO					Galaxy
Memories Never Die	*HBO					Universal
Missing in Action II	(HBO)	(ST)	TMC		(MAX)	Cannon
Modern Times		ST	(TMC)		(MAX)	20th Century-Fox
Molly Maguires, The					MAX	Paramount

Film	Pay Networks					Distributor
Mom's on Strike	HBO					Kerew
Monty Python's Life of Brian					MAX	Warner Bros.
Love Bug, The				DIS		Disney
Mr. Belvedere Goes to College				DIS		20th Century-Fox
Murphy's Law		*ST	(TMC)			Cannon
My Chauffeur	HBO				(MAX)	Crown Int'l
My Favorite Wife				DIS		RKO
My Other Husband					MAX	Columbia
My Science Project	HBO	(ST)			(MAX)	Disney
Never So Few					MAX	MGM/UA
Night Crossing				*DIS		Disney
Night Shift					MAX	Warner Bros.
Night Wing					MAX	Columbia
Nine Deaths of the Ninja		ST				Crown
Ninth Configuration, The					MAX	New World
No Retreat, No Surrender	HBO					New World
Nobody's Perfekt	HBO					Columbia
Nomads		*ST				Atlantic
Nutcracker	HBO	ST				Almi
Off Beat		*ST				Disney
Oklahoma!				DIS		Goldwyn
Omega Man, The			(TMC)		MAX	Warner Bros.
On the Edge	HBO					Skouras
On the Right Track				DIS		20th Century-Fox
Once Bitten	(HBO)		(TMC)		MAX	Goldwyn
One on One	HBO					Warner Bros.
Operation Pacific			*TMC		(MAX)	Warner Bros.
Outrage, The			TMC			MGM/UA
Paris, Texas	HBO				(MAX)	20th Century-Fox
Pee Wee's Big Adventure					*MAX	Warner Bros.
Perfect	*HBO				(MAX)	Columbia
Perfect Timing			TMC			Film Gallery
Platypus Cove				DIS		Miramax
Plymouth Adventure		ST				MGM/UA
Poltergeist II	HBO				MAX	MGM/UA
Pope of Greenwich Village, The			TMC		MAX	MGM/UA
Porky's Revenge	*HBO	ST	(TMC)		(MAX)	20th Century-Fox
Pray for Death					MAX	Pray/Dallas
Private Benjamin	HBO					Warner Bros.
Pumping Iron: The Women					MAX	Lorimar
Quiet Earth, The					MAX	Skouras
R.S.V.P.					MAX	Playboy
Rascal				*DIS		Disney
Red Sonja		ST	(TMC)			TBS
Reluctant Debutante, The				DIS		MGM/UA
Richard Pryor Live on the Sunset Strip					*MAX	Columbia
Rustler's Rhapsody		ST	(TMC)			Paramount
Sandpiper, The			*TMC		*MAX	MGM/UA
Savannah Smiles				DIS		DEG
Scarlet Coat, The				DIS		MGM/UA
Scream for Help	HBO	(ST)			(MAX)	Lorimar
Secret Admirer	*HBO				(MAX)	Orion
Secret of the Lost Valley, The				DIS		Disney
Sensuous Nurse, The		(ST)			*MAX	Castle Hill
Seven Brides for Seven Brothers		ST			MAX	MGM/UA
Short Circuit	HBO				MAX	Tri-Star
Silver Bears	HBO					Columbia
Silverado	(HBO)				*MAX	Columbia
Sinbad and the Eye of the Tiger				*DIS		Columbia
Spanish Main, The				DIS		RKO
Sphinx					MAX	Warner Bros.
Spirit of St. Louis, The					MAX	Warner Bros.
St. Elmo's Fire	HBO				(MAX)	Columbia
Stage Struck				DIS		RKO
Star Crystal					MAX	New World
Stitches	HBO					Marcucci
Stratton Story, The			(TMC)	DIS		MGM/UA
Street Walkin'		ST			(MAX)	New Horizons
Student Prince, The				DIS		MGM/UA
Sweet Dreams					MAX	Silver Screen
Sweet Liberty	HBO	ST				Universal
Sword and the Stone, The				*DIS		Disney
Sword of the Valiant			*TMC			Viacom
Table for Five		ST				CBS
Terminal Choice	HBO					Almi
Tex					MAX	Disney
They Won't Forget		ST				MGM/UA
Things are Tough All Over					MAX	Columbia
Three Little Words				DIS		MGM/UA
To Live and Die in L.A.	HBO				(MAX)	MGM/UA
Top Hat				DIS	(MAX)	RKO
Treasure Island			(TMC)		MAX	Warner Bros.
Tribute	HBO				(MAX)	Kudos
Tuff Turf	HBO					New World
Turning Point, The			TMC		MAX	20th Century-Fox
Turtle Diary			TMC			Goldwyn
Twice in a Lifetime		*ST	(TMC)			S. Roberts
Two Rode Together					MAX	Columbia
Uforia	HBO				(MAX)	Universal
Vanishing Prairie, The				*DIS		Disney
Vanishing Wilderness, The	(HBO)			DIS		Pacific Int'l.
Verdict, The		*ST	(TMC)			20th Century-Fox
View to a Kill, A	(HBO)				MAX	MGM/UA
Violets are Blue					MAX	Columbia
Vision Quest	HBO	ST	(TMC)		(MAX)	Warner Bros.
Waltz Across Texas			TMC			Atlantic
Warrior and the Sorceress, The	(HBO)	*ST			*MAX	New Horizons
White Nights	(HBO)				*MAX	Columbia
Wholly Moses!					MAX	Columbia
Wildcats	*HBO				(MAX)	Warner Bros.
Wild Summer, The	HBO					LCA
Wise Guys		ST				TBS
Woman of Paris, A			TMC			20th Century-Fox
Wonder of It All	HBO			(DIS)		Pacific Int'l.
Yankee Doodle Dandy			*TMC		(MAX)	MGM/UA
Year of the Dragon		ST	(TMC)			TBS
You Can't Take It with You					MAX	Columbia
Young Man with a Horn		ST				Warner Bros.
Your Place...Or Mine	HBO					Lorimar

Year of the Dragon *starring Mickey Rourke and Tracy Tzu.*

Cable Network Legend:
HBO—Home Box Office
ST—Showtime
TMC—The Movie Channel
DIS—The Disney Channel
MAX—Cinemax

- Networks in parentheses indicate carriage in December, January, February, March and/or April.
- An asterisk indicates the film is a carry-over from December, January, February, March and/or April.
- In total, 261 films appear on the May schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 14 have played on four of the five services, 14 have played on three, and 75 have played on two of the five services. One hundred and fifty-eight titles on the May schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles on pay TV in May is MGM/UA with 35, followed by Warner Bros. with 34, Columbia Pictures with 32, 20th Century-Fox with 19 and Cannon and Universal with seven each.
- Titles subject to change.

CABLE STATS

Cable services subscriber count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	245	4,900,000
Alternate View Network	206	2,500,000
American Movie Classics	1,000	4,000,000
Arts & Entertainment (A&E)	2,300	22,000,000
Black Entertainment Television (BET)	812	12,500,000
Cable News Network (CNN)	10,228	38,456,000
Cable Value Network	500	10,000,000
C-SPAN	2,400	26,000,000
C-SPAN II	288	7,592,922
CBN Cable Network	7,452	34,086,000
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	470	6,700,000
The Discovery Channel	1,700	15,000,000
ESPN	15,393	41,100,000
Eternal Word Television Network (EWTN)	363	6,300,000
Financial News Network (FNN)	1,450	24,000,000
GalaVision	253	500,000
Gospel Music Network	8	375,000
Headline News	3,812	23,598,000
Hit Video USA	41	1,700,000
Home Shopping Network	722	11,613,217
Home Shopping Network 2	245	5,820,000
International Television Network	42	20,130,000
The Learning Channel	820	7,406,354
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,050	29,000,000
Music Television (MTV)	4,490	32,600,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	295	6,800,000
Nickelodeon	4,770	30,300,000
The Nostalgia Channel	185	850,000
PTL The Inspirational Network	1,300	13,300,000
QVC Network	450	10,500,000
Rock Christian Network	7	242,900
Score	1,050	19,000,000
Silent Network	206	6,800,000
Sky Merchant	12	600,000
TelShop	750	10,500,000
Tempo Television	665	12,500,000
The Travel Channel	40	5,000,000
Trinity Broadcasting Network	471	6,387,000
Univision	409	34,381,000
USA Network	8,500	37,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	60	23,000,000
The Weather Channel	2,400	24,000,000
WGN-TV	9,706	22,481,000
WOR-TV	2,097	9,105,083
WPIX-TV	288	2,471,000
WTBS-TV	11,320	40,204,000

Pay services		
Bravo	300	400,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	620	610,000
Showtime	3,200	5,400,000

Audio services		
Cable Radio Network	31	1,600,000
JazzAmerica	NA	NA
KKGO Super Jazz	12	120,000
Moody Bible Institute	59	868,516
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	169	1,357,000

Text services	Affiliates	Subscribers
AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	33	2,333,000
DBC/MarketWatch	165	3,300,000
Electronic Program Guide (EPG)	399	7,069,000
EPG Jr.	87	97,100
Genesis Cable Storytime	35	1,310,000
Reuters News View	325	3,250,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	150	5,600,000
Fuji Network	3	12,000
Nippon Golden Network	3	12,000
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	155,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	38	1,404,000
The Ecumenical Channel	7	149,000
KTVT	150	1,891,000
Life Newsvision	35	50,000
Madison Square Garden	83	2,015,000
Meadows Racing Network	14	446,000
News 12 Long Island	7	500,000
Prime Cable	8	318,204
Prime Ticket	207	1,600,000
SportsVision (Chicago)	38	610,000

Pay services		
Dodgervision	44	935,000
Giantsvision	38	1,000,000
Home Sports Entertainment—Houston/Dallas	119	216,000
Home Team Sports	100	500,000
New England Sports Network	156	172,178
PRISM-Philadelphia	90	370,000
Pro-Am Sports	128	160,000
SportsChannel (New England)	135	363,000
SportsChannel (New York)	76	750,000
SportsChannel Plus	NA	NA
Z Channel	21	84,700

Announced services

Satellite-fed services	Expected launch
Americana Network	2nd Quarter 1988
American Catalog Shopper's Network	4/87
Apollo Entertainment Television	TBA
Barter Resources Shopping Network	3rd Quarter 1987
Comedy Television	2nd Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
EventTelevision	1st Quarter 1987
The Fashion Channel	7/87
International Business Network	2nd Quarter 1987
International Cablecasting's Cable Radio Network	9/87
Movietime	7/87
Ozark Mountain Network	2/87
The Preview Network	5/87
Telaction	6/87
Tunnelvision	10/87
Vacation Travel Network	6/87
World Travel Network	2nd Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available.
TBA denotes to be announced.

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APRIL 27, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

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TIME INC. EXPLAINS KU-BAND, OTHER STRATEGIES

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Syndicator on the move 20
LBS Communications is aggressively marketing programming for both pay and basic channels through a unit set up to deal exclusively with cable. The nation's largest barter syndicator is also looking for operator equity for its Shop Television Network, a joint venture with J.C. Penney.

MEDIA WATCH

Guarded optimism at NAB 32
Though broadcasters have lost their position of dominance and face increasing competition, the message from industry leaders at the NAB convention was that the industry is still healthy.

LAW AND REGULATION

NCTA hammers at Hollywood 38
A cable industry white paper charges the movie studios with reducing competition through a series of acquisitions that amount to vertical integration of businesses.

BUSINESS AND FINANCE

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Strategies for financing cable system acquisitions and the effects of overbuild situations were discussed among representatives of the operator, brokerage and investment sectors in the conclusion of this two-part series.

COVER STORY

San Francisco system turnaround 36
Viacom faced an uphill battle in the Bay Area, but managed to increase subscribers by 45 percent since 1985 as a result of marketing campaigns and equipment upgrades.

Pay Per View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

May

Source

Blue Velvet (5/1) **Lorimar**
MPAA Rating: R Running Time: 120 mins.
Cast: Kyle MacLaughlin, Isabella Rosellini, Dennis Hopper, Laura Dern

The Color of Money (5/28) **Touchstone**
MPAA Rating: R Running Time: 120 mins.
Cast: Paul Newman, Tom Cruise, Mary Elizabeth Mastroantonio

Deadly Friend (5/13) **Warner Bros.**
MPAA Rating: R Running Time: 90 mins.
Cast: Mathew Laborteaux, Kristy Swanson, Michael Sharritt

Eat and Run (5/20) **HBO Enterprises**
MPAA Rating: R Running Time: 84 mins.
Cast: Ron Silver, Sharon Schlarth

Jumping Jack Flash (5/21) **20th Century-Fox**
MPAA Rating: R Running Time: 105 mins.
Cast: Whoopi Goldberg, Carol Kane

Let's Get Hairy (5/1) **Tri-Star**
MPAA Rating: R Running Time: 88 mins.
Cast: Robert Duvall, Gary Busey, Mark Harmon

One Crazy Summer (5/1) **Warner Bros.**
MPAA Rating: PG Running Time: 93 mins.
Cast: John Cusack, Demi Moore, Curtis Armstrong

Peggy Sue Got Married (5/1) **Tri-Star**
MPAA Rating: PG-13 Running Time: 104 mins.
Cast: Kathleen Turner, Nicholas Cage, Barry Miller

A Place for Weeping (5/20) **HBO Enterprises**
MPAA Rating: PG Running Time: 88 mins.
Cast: James Whyle, Charles Comyn, Norman Coombes

A Room with a View (5/1) **Paramount**
MPAA Rating: NR Running Time: 115 mins.
Cast: Maggie Smith, Denholm Elliot, Judi Dench

Solar Babies (5/28) **MGM/UA**

Source

MPAA Rating: PG-13 Running Time: 94 mins.
Cast: Richard Jordan, Jamie Gertz, Jason Patric

Top Gun (5/1) **Paramount**
MPAA Rating: PG Running Time: 110 mins.
Cast: Tom Cruise, Kelly McGillis, Val Kilmer

June

Source

Busted Up (6/1) **Universal**
MPAA Rating: R Running Time: 92 mins.
Cast: Irene Cara, Paul Coufos, Toni Rosato

Children of a Lesser God (6/1) **Paramount**
MPAA Rating: R • Running Time: 110 mins.
Cast: William Hurt, Marlene Matlin

Horn of the Assassin (6/4) **MGM Concorde**
MPAA Rating: R Running Time: 96 mins.
Cast: Eric Estrada, Robert Vaughn

The Morning After (6/25) **Lorimar**
MPAA Rating: R Running Time: 103 mins.
Cast: Jane Fonda, Jeff Bridges, Raul Julia

Something Wild (6/24) **Orion**
MPAA Rating: R Running Time: 114 mins.
Cast: Melanie Griffith, Jeff Daniels, Ray Liotta

Wanted Dead or Alive (6/11) **HBO Enterprises**
MPAA Rating: R Running Time: 104 mins.
Cast: Rutger Hauer

Note: Running times are approximate.
NR indicates film not rated by MPAA.
* Unavailable at presstime.

Film information provided to International Thomson Communications Inc. by distributors.

Pay Per View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	All movies, 24 hours per day, 50-60 titles per month	Field trial basis, currently serving 10 MSOs nationwide (2,500 Impulse addressable subscribers)
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title plus up to two licensed films edited for Playbox	Available in systems serving 185,000 subs (139,000 addressable)
Request Television	November 27, 1985	Galaxy 1, tr. 12	VideoCipher II	Min. of four major motion pictures per week over 14 day cycle, special events	Available in systems serving 3 million subs (2 million addressable)
Telstar Channels	June 5, 1986	Interrum Standalone testing: Testing G-1 Starlite IV on Telstar 303		Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events	Available in systems serving 74,000 subs (11,500 addressable)
Viewer's Choice	November 26, 1985	VC-1 Satcom 4R, tr. 5; VC-2 Galaxy 1, tr. 16	VideoCipher II	One major motion picture per week, special events	Available in systems serving 2.6 million subs (1.6 million addressable)

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
Genesis Storytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
TV Decisions	24
Trinity Broadcasting Network	3
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses designates the transponder owner. Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc	4,189,000	(12/86)
2.	American Television and Communications Corp	2,888,957	(3/87)
3.	Heritage Communications Inc	1,856,000	(3/87)
4.	Continental Cablevision	1,413,000	(1/87)
5.	Storer Cable Communications	1,394,000	(2/87)
6.	Cox Cable Communications	1,355,195	(1/87)
7.	Warner Cable Communications Inc	1,309,000	(1/87)
8.	Comcast	1,234,536	(2/87)
8.	United Cable	1,090,510	(2/87)
10.	Newhouse Broadcasting	1,024,948	(3/87)
11.	Viacom Cablevision	968,000	(1/87)
12.	Jones Intercable	895,565	(3/87)
13.	Times Mirror Cable Television Inc	847,009	(1/87)
14.	Sammons Communications Inc	824,627	(2/87)
15.	UA Cablesystems Corp	753,363	(12/86)
16.	Cablevision Systems Corp	687,000	(12/86)
17.	Century Communications Corp	600,000	(12/86)
18.	Paragon Cable	571,663	(3/87)
19.	Rogers Cablesystems Inc	535,207	(2/87)
20.	Centel Cable	491,350	(2/87)
21.	Telecable Corp	489,437	(11/86)
22.	Daniels & Associates	472,876	(12/86)
23.	Cable Vision Industries	457,077	(12/86)
24.	American Cablesystems Corp	437,027	(2/87)
25.	McCaw Communications	434,444	(12/86)
26.	Adelphia Communications	430,076	(3/87)
27.	Scripps-Howard	390,000	(3/87)
28.	Falcon Cable	379,000	(2/87)
29.	Post-Newsweek	370,387	(2/87)
30.	Wometco Cable TV Inc	356,820	(1/87)
31.	TCA Group	331,564	(2/87)
32.	Prime Cable Corp	318,204	(1/87)
33.	Multimedia Cablevision	294,804	(3/87)
34.	Colony Communications Inc	259,310	(2/87)
35.	Maclean Hunter Cable TV Ltd	250,215	(2/87)
36.	Lenfest Group	233,806	(12/86)
37.	Western Communications	230,000	(1/87)
38.	Tele-Media	215,000	(7/86)
39.	Communications Service Inc	210,000	(12/86)
40.	Rifkin & Associates	200,000	(1/87)
41.	Service Electric Cable TV Inc	195,000	(3/87)
42.	TKR Cable Co	186,139	(1/87)
43.	TCI-Taft	181,318	(1/87)
44.	Cencom Cable	174,416	(3/87)
45.	Hauser Communications Inc	165,000	(12/86)
46.	Adams-Russell Communications	159,306	(3/87)
47.	Harte-Hanks Communications	150,144	(12/86)
48.	Harron Communications	148,412	(12/86)
49.	Greater Media	146,409	(12/86)
50.	Media General Inc	145,598	(2/87)
51.	Palmer Communications	141,263	(2/87)
52.	Marcus Communications	141,052	(3/87)
53.	Armstrong Utilities	138,651	(3/87)
54.	Sutton Capital Corp	137,798	(1/87)
55.	Televents Inc	129,801	(2/87)
56.	Blade Communications	128,067	(2/87)
57.	The Essex Group	116,346	(3/87)
58.	Summit Communications	115,568	(1/87)
59.	First Carolina Communications Inc	114,104	(1/87)
60.	U.S. Cable Corp	111,190	(2/87)
61.	Sonic Communications	110,000	(3/87)
62.	Multi-Channel TV Cable Inc	109,822	(2/87)
63.	Simmons Communications	109,100	(2/87)
64.	Columbia International	107,078	(3/87)
65.	Northland Communications	103,550	(1/87)
67.	Booth Communications	102,553	(2/87)
68.	King Videocable	102,000	(3/87)
69.	Perry Cable TV Corp	99,841	(1/87)
70.	Scott Cable Communications	95,880	(2/87)
71.	M.L. Media Partners	94,000	(1/87)
72.	Susquehanna Broadcasting	90,630	(1/87)
73.	McDonald Group	90,079	(8/84)
74.	Midcontinent Cable Systems Co	88,104	(3/87)
75.	James Communications	87,533	(2/87)
76.	WEHCO Video	86,758	(1/87)
77.	United Video Management	80,171	(2/87)
78.	Bresnan Communications Co	78,170	(1/87)
79.	Omega Communications	77,626	(1/87)
80.	Pencor Services	76,857	(11/86)
81.	C4 Media Corp	64,719	(3/87)
82.	Wisconsin Cablevision and Radio Co	63,910	(1/87)
83.	Selkirk Communications	63,000	(11/86)
84.	Acton Corp	60,035	(1/87)
85.	Mountain Cable Co	58,459	(3/87)
85.	Galaxy Cablevision	56,462	(3/87)
87.	Tidel Communications	55,442	(12/86)
88.	Chambers Communications Corp	53,809	(3/87)
89.	Masada Corp	53,503	(1/87)
90.	Cardinal Communications	53,200	(2/87)
91.	Insight Communications	50,000	(2/87)
92.	Enstar Communications	49,674	(2/87)
93.	Hearst Communications of California	49,106	(2/87)
94.	State Cable TV	48,861	(2/87)
95.	Helicon Corp	48,000	(11/86)
96.	Joseph Gans Cable TV	46,532	(11/86)
97.	Dowden Cable	45,385	(1/87)
98.	Commonwealth Cable Systems	43,425	(1/87)
99.	Donrey Cablevision	43,423	(1/87)
100.	New England Cablevision	43,199	(2/87)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	278,172	(12/86)
2.	Woodbury (Long Island), NY	Cablevision Systems Corp	277,462	(1/87)
3.	San Antonio, TX	Rogers	220,510	(3/87)
4.	Manhattan, NY	ATC	219,600	(12/85)
5.	Houston, TX	Warner	189,900	(11/86)
6.	East Orange, NJ	Maclean Hunter	184,841	(10/86)
7.	Puget Sound, WA	Viacom	175,000	(1/87)
8.	Honolulu, HI	ATC	164,300	(12/85)
9.	Phoenix, AZ	Times Mirror	157,615	(1/87)
10.	Cincinnati, OH	Warner	155,100	(1/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	154,930	(2/87)
12.	Wayne, NJ	UA Cablesystems	152,460	(2/87)
13.	Englewood, CO	United Cable	151,094	(2/87)
14.	Tulsa, OK	United Cable	145,757	(2/87)
15.	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
16.	Rochester, NY	ATC	141,000	(1/87)
17.	Cherry Hills, NJ	NYT	140,105	(1/87)
18.	Hampton Roads, VA	Cox Cable	138,601	(12/86)
19.	Hartford/Plainville, CT	United Cable	136,479	(2/87)
20.	Fairfax, VA	Media General	135,098	(2/87)
21.	Atlanta, GA	Prime Cable Corp.	134,037	(1/87)
22.	Buffalo, NY	Adelphia Communications	132,209	(12/86)
23.	Jacksonville, FL	Continental	131,000	(1/87)
24.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
25.	Erie County, NY	Adelphia	127,160	(3/87)
26.	Seattle, WA	Tele-Communications Inc	125,000	(12/86)
27.	Baltimore County, MD	Comcast	122,730	(9/86)
28.	San Jose, CA	Gill Industries	119,100	(2/87)
29.	Manhattan, NY	Paragon Cable	115,000	(5/86)
30.	Kansas City, MO	ATC	114,600	(12/85)
31.	Long Island, NY	Viacom	112,000	(1/87)
32.	Austin, TX	ATC	109,700	(12/85)
33.	Memphis, TN	ATC	106,900	(12/85)
34.	San Francisco, CA	Viacom	106,500	(1/87)
35.	Toledo, OH	Blade Communications	105,346	(2/87)
36.	San Juan, PR	ML Media Partners	104,823	(11/86)
37.	Pompano, FL	American Cablesystems	102,669	(2/87)
38.	Warren, NJ	TKR	101,406	(2/87)
39.	Dallas, TX	Heritage	100,056	(3/87)
40.	Jefferson Parish/Kenner, LA	Cox Cable	96,904	(12/86)
41.	Southeast Michigan	Comcast	96,454	(9/86)
42.	Pinellas County, FL	Vision Cable	93,980	(1/87)
43.	Wilmington, DE	Heritage	92,852	(3/87)
44.	Grand Rapids, MI	UA Cablesystems	92,503	(2/87)
45.	San Diego, CA	ATC	92,200	(12/85)
46.	Dade/Broward, FL	Storer	91,000	(2/87)
47.	Escondido, CA	Times Mirror	87,586	(1/87)
48.	Wichita, KS	Multimedia Cablevision	85,324	(3/87)
49.	Pittsburgh, PA	Tele-Communications Inc	85,000	(12/86)
50.	Jackson/Monroe, MS	ATC	82,500	(12/85)
51.	South Texas, TX	Heritage	82,013	(3/87)
52.	Richmond, VA	Continental	81,403	(1/87)
53.	Oakland County, MI	United Cable	81,245	(2/87)
54.	Indianapolis, IN	Indianapolis Cablevision Inc	80,969	(5/86)
55.	Tacoma, WA	Viacom	80,500	(2/87)
56.	Boston, MA	Cablevision	79,100	(12/86)
57.	Harrisburg, PA	Sammons Communications	78,864	(2/87)
58.	Dover/Morristown, NJ	Sammons	78,797	(2/87)
59.	Charlotte, NC	ATC	78,700	(12/85)
60.	Flint, MI	Comcast Cable	78,349	(9/86)
61.	Raleigh, N.C.	ATC	77,600	(12/85)
62.	Baton Rouge, LA	Daniels & Assocs	77,478	(1/87)
63.	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
64.	Las Vegas, NV	Prime	74,879	(1/87)
65.	Greensboro, NC	ATC	74,100	(12/85)
66.	South Bend, IN	Heritage	74,030	(3/87)
67.	Santa Monica, CA	Century	74,000	(5/86)
68.	Nashville, TN	Viacom	74,000	(1/87)
69.	Allentown, PA	Service Elec	74,000	(3/87)
70.	Milwaukee, WI	Warner	73,625	(2/87)
71.	New Orleans, LA	Cox Cable	73,579	(12/86)
72.	Orange County, CA	Times Mirror	72,863	(1/87)
73.	Cleveland Heights, OH	Viacom	71,600	(1/87)
74.	Columbus, OH	Warner	69,500	(1/87)
75.	Contra Costa Co. CA	Televents	69,351	(2/87)
76.	Akron, OH	Warner	69,055	(11/86)
77.	Fayetteville, NC	ATC	69,000	(9/86)
78.	Little Rock, AR	Storer	68,393	(2/87)
79.	Omaha, NE	Cox Cable	67,456	(12/86)
80.	Medford Complex (Boston Suburbs), MA	Warner	67,400	(11/86)
81.	Des Moines, IA	Heritage	67,205	(3/87)
82.	Birmingham, AL	ATC	66,200	(11/86)
83.	Ocean County, NJ	Adelphia	66,051	(6/86)
84.	New Haven, CT	Storer	65,595	(2/87)
85.	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
86.	Syracuse (suburbs), NY	NewChannels Corp	64,847	(3/87)
87.	St. Petersburg, FL	Paragon Cable	64,478	(5/86)
88.	Cook County, IL	Continental	64,272	(3/87)
89.	Indianapolis, IN	ATC	64,000	(12/85)
90.	Greater Bridgeport, CT	Cablevision Co.	63,780	(12/86)
91.	Monterey, CA	Western Communications	63,731	(10/86)
92.	Winston-Salem, N.C.	Summit	63,227	(2/87)
93.	Sarasota, FL	Storer	63,207	(2/87)
94.	Oklahoma City, OK	Cox Cable	63,099	(12/86)
95.	Lower Fairfield Co., CT	Cablevision Co	63,028	(12/86)
96.	Madison, WI	Tele-Communications Inc	63,000	(12/86)
97.	Santa Barbara, CA	Cox Cable	62,268	(12/86)
98.	El Paso, TX	Group W (ATC)	62,000	(9/86)
99.	Lincoln, RI	Heritage	61,615	(3/87)
100.	Charleston, S.C.	Storer	61,538	(2/87)

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MAY 4, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

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CABLE VIDEO STORE IN EQUITY TALKS AS ROLLOUT NEARS

CABLE OFFICIALS DISPUTE STANDARD & POOR'S REPORT

ERIE FRANCHISE FEE RULING NOT ALL BAD NEWS

EUROPEAN CAPITAL MAKING MARK IN U.S. CABLE

SIZING UP THE NCTA AGENDA: JIM COWNIE READY FOR BATTLE

CableVision

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James Cownie, executive vice president of Heritage Communications and vice chairman of the National Cable Television Association, discusses his perceptions of cable's legislative and image challenges. Photograph by Candace Drake.

Film product comparison-June

Film	Pay Networks					Distributor
1,000 Dozen, The		ST				Fox/Lorber
16 Days of Glory Pt. 2				DIS		Paramount
200,000 Leagues Under the Sea	HBO					Vistar
8 Million Ways to Die					MAX	Vestron
Wedding, A					MAX	20th Century-Fox
Ada				DIS		MGM/UA
Adventures of a Plumber's Mate			TMC			Miramax
Adventures of Prof. Beethoven	HBO					Oriolo
Adventures of the American Rabbit, The				DIS		Clubhouse Pictures
All Fall Down		ST	(TMC)			MGM/UA
Ambassador, The	HBO				(MAX)	Cannon
American Anthem	HBO					Columbia
American Flyers		ST	(TMC)		(MAX)	Warner Bros.
American Ninja			TMC			Cannon
Angel and the Badman			TMC		(MAX)	Hal Roach Studios
Arthur's Hallowed Ground				DIS		Film Gallery
Ask Any Girl		ST	(TMC)			MGM/UA
Assisi Underground			TMC			Cannon
Asterix and the Twelve Tasks				*DIS		Gaumont
At Last, At Last		ST				J. Brenner
Avanti!			(TMC)		MAX	MGM/UA
Avenging Angel	HBO				(MAX)	New World
Awakening, The					MAX	Warner Bros.
Baby...Secret of the Lost Legend	(HBO)	ST	(TMC)		(MAX)	Disney
Back to School	HBO	ST	TMC		MAX	Orion
Bananas	HBO	(ST)			(MAX)	MGM/UA
Battleground					MAX	MGM/UA
Beast from 20,000 Fathoms, The			TMC			Warner Bros.
Beautiful Blonde from Bashful Bend, The				DIS		20th Century-Fox
Bedford Incident, The					MAX	Columbia
Best Boy					MAX	Int'l Film Exchange
Best of Times, The	(HBO)	(ST)	(TMC)		MAX	Universal
Beverly Hills Cop		(ST)	*TMC			Paramount
Bible in the Beginning, The					MAX	20th Century-Fox
Bible, The			TMC			20th Century-Fox
Biscuit Eater, The				*DIS		Disney
Black Arrow				*DIS		Disney
Blue City		*ST				Paramount
BMX Bandits	HBO		(TMC)			Media Home
Boarding School					MAX	Paramount
Boat, The					MAX	Columbia
Born Free	HBO			(DIS)	(MAX)	Columbia
Boys Next Door, The	HBO					New World
Brazil			TMC		(MAX)	Universal
Brigadoon		(ST)	TMC	*DIS	(MAX)	MGM/UA
Bronco Billy			TMC		(MAX)	Warner Bros.
Bye Bye Birdie					MAX	Columbia
Can You Keep It Up for a Week			TMC			Miramax
Capture of Grizzly Adams, The				*DIS		Worldvision Enterprises
Casey's Shadows	(HBO)				MAX	Columbia
Cat Ballou					*MAX	Columbia
Ceiling Zero		ST				MGM/UA
Charlie Smith and Fritter Tree				DIS		WGBH Boston
China Syndrome					MAX	Columbia
Clan of the Cave Bear	(HBO)				MAX	Warner Bros.
Cobra	HBO				MAX	Warner Bros.
Commando	(HBO)	(ST)	TMC		(MAX)	20th Century-Fox
Competition, The					MAX	Columbia
Compromising Positions		ST	(TMC)			Paramount
Conan the Barbarian	HBO	(ST)	TMC			Universal
Crawlspace					MAX	Empire
Dallas		ST			MAX	Warner Bros.
Dangerous When Wet				*DIS		MGM/UA
Deadly Force	(HBO)		*TMC			Embassy
Desperate Lives	HBO					Lorimar
Destroyers, The	HBO					Concorde
Dirty Little Billy					MAX	Columbia
Dot and the Smugglers				DIS		Cori Films
Dream of Kings, A					MAX	Warner Bros.
Dr. Strangelove					MAX	Columbia
Dragonslayer	(HBO)	*ST				Paramount
Dream Chasers, The				*DIS		Pacific Int'l.
East of Eden		ST	(TMC)		(MAX)	Warner Bros.
Ellie	(HBO)		TMC			Troma
Elvis on Tour			*TMC			MGM/UA
Elvis: That's the Way It Is			*TMC			MGM/UA
Emanuelle in Bangkok					MAX	Film Gallery
Enemy Mine	ST		TMC		(MAX)	20th Century-Fox
Everything You Always Wanted to Know About Sex...	HBO					MGM/UA
Every Which Way But Loose					MAX	Warner Bros.
Exchange Student, The	HBO					Scholastic
F/X	(HBO)	(ST)	(TMC)		MAX	Orion
Failsafe					MAX	Columbia
Family of Winners, A	HBO					Orbis
Fastest Gun Alive, The					MAX	MGM/UA
Final Terror, The		ST				Arkoff
Fire With Fire		*ST				Paramount
Flash Gordon	HBO					Famous
Flight of the Grey Wolf, The				DIS		Disney
Flute Man, The				DIS		Kodiak
Fool For Love		(ST)	TMC			Cannon
Foxtrap					MAX	Snizzlefritz
Fraternity Vacation	HBO				(MAX)	New World
Free Spirit		ST				J. Brenner
French Lesson	HBO					Warner Bros.
From Hell to Texas				*DIS		20th Century-Fox
Funny Girl	*HBO					Columbia
Further Adventures of the Wilderness Family, The				*DIS		Simcom
George Washington Slept Here		ST				MGM/UA
Glass Bottom Boat, The		ST			(MAX)	MGM/UA
Gods Must Be Crazy, The		(ST)	TMC			20th Century-Fox
Guns of Navarone, The					MAX	Columbia
H.O.T.S.					MAX	Blum Group
Heaven Help Us	HBO					Silver Screen
Heaven's Gate			*TMC			MGM/UA
Heavenly Kid, The	*HBO					Orion
Here Come the Lillies				DIS		Atlantic Releasing
Highlander	(HBO)	(ST)	TMC			20th Century-Fox
Hitcher, The	HBO				(MAX)	Silver Screen
Home From the Hill	(HBO)	(ST)	TMC		(MAX)	MGM/UA
Home in Indiana				(DIS)	MAX	20th Century-Fox
Hot Resort		(ST)			MAX	Cannon
Hotel			TMC		(MAX)	Warner Bros.
House					MAX	New World
I Thank a Fool		ST				MGM/UA
Ice Pirates, The	HBO				(MAX)	MGM/UA
Immortal Sargeant					MAX	20th Century-Fox
Invaders From Mars		ST	TMC			Cannon
Invisible Boy, The				*DIS		MGM/UA
It Happened at the World's Fair		(ST)	TMC			MGM/UA
Jack and the Beanstalk				*DIS		Columbia
Jesse Owens Story, The				DIS		Paramount
Joey			*TMC		(MAX)	Satori
Journey of Robert F. Kennedy, The					MAX	Universal
Julia			(TMC)		MAX	20th Century-Fox
Just Tell Me What You Want					MAX	Warner Bros.
Just You and Me, Kid					MAX	Columbia
Kiss Me Kate		(ST)	TMC	*DIS		MGM/UA
Kiss of the Spider Woman		ST	(TMC)			Embassy
Klute			(TMC)		MAX	Warner Bros.
Krush Groove					MAX	Warner Bros.
Lady Jane			TMC			Paramount
Lady Vanishes, The			TMC			New Century
Last Hurrah, The				DIS		Columbia
Law and Jake Wade, The		ST	(TMC)		MAX	MGM/UA
Le Sex Shop					*MAX	Castle Hill
Letter to Breshnev					MAX	Circle Releasing
Letters From Frank					MAX	Paramount
Lies My Father Told Me	HBO					Columbia
Lifeforce	HBO				(MAX)	Tri-Star
Lion of America, The	HBO					Lois Luger
Lolita			TMC			MGM/UA
Lone Wolf McQuade	HBO				(MAX)	Orion
Loose Screws		ST				New Horizons
Love Bug, The				*DIS		Disney
Lucky Lady			TMC		MAX	20th Century-Fox
Mad Max Beyond Thundrdome	*HBO		(TMC)		(MAX)	Warner Bros.
Malibu Express		ST	(TMC)		(MAX)	Donnelly
Man Hunt	HBO				(MAX)	Goldwyn

Film	Pay Networks					Distributor
Man in the Wilderness	(HBO)		*TMC			Warner Bros.
Man with One Red Shoe, The	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox
Manhattan Project, The	HBO	ST	TMC			20th Century-Fox
Marlowe		ST				MGM/UA
Mask	HBO	(ST)	(TMC)		(MAX)	Universal
Maxie	(HBO)				MAX	Orion
McCabe & Mrs. Miller		ST			(MAX)	Warner Bros.
Merrily We Live				DIS		Hal Roach
Merry Andrew				DIS		MGM/UA
Modern Problems			(TMC)		MAX	
Morons From Outer Space	(HBO)				MAX	Thorne-EMI
Mother is a Freshman					MAX	20th Century-Fox
Mouse and His Child, The				DIS		Sanrio Communications
Moving Violations	HBO		TMC		(MAX)	20th Century-Fox
Murphy's Romance	*HBO					Columbia
Music Man, The	HBO		(TMC)		(MAX)	Warner Bros.
My American Cousin					MAX	Int'l Spectrafilm
Nine Deaths of the Ninja		*ST	(TMC)			Crown
No Deposit, No Return				DIS		Disney
Not Quite Human				DIS		Disney
Odd Jobs	HBO					Silver Screen
Odd Man Out			*TMC			New Century
Oklahoma!				*DIS		Goldwyn
On the Right Track	HBO			*DIS	(MAX)	20th Century-Fox
One Million B.C.				DIS		Hal Roach
Ordinary Heroes					MAX	Video Media
Out of Africa	(HBO)	(ST)	(TMC)		*MAX	Universal
Out of Control	HBO				(MAX)	New World
Outrageous			TMC			Goldwyn
Owl and the Pussycat, The					MAX	Columbia
Pale Rider	*HBO	*ST	(TMC)		(MAX)	Warner Bros.
Passage to India, A	HBO				(MAX)	Thorne-EMI
Phantom Treehouse, The	HBO					Satori
Philadelphia Experiment, The	(HBO)				MAX	New World
Phobia			TMC			Paramount
Platypus Cove		ST		*DIS		Miramax
Police Academy 2	(HBO)	(ST)	TMC			Warner Bros.
Power					MAX	Lorimar
Pretty in Pink		(ST)	TMC			Paramount
Prince of the City					MAX	Warner Bros.
Private Function, A			TMC			Island
Prizzi's Honor	HBO	(ST)	(TMC)		(MAX)	Universal
Professionals, The					*MAX	Columbia
Protector, The					*MAX	Warner Bros.
Pudd'n Head Wilson			TMC			Transcon
Purple Hearts					MAX	Warner Bros.
Quicksilver	(HBO)				MAX	Columbia
Rack, The		(ST)	TMC			MGM/UA
Rainbow Brite and the Star Stealer	HBO					Warner Bros.
Raintree County	(HBO)			DIS	MAX	MGM/UA
Rambo First Blood Pt. 2	HBO					Tri-Star
Raw Courage	HBO				(MAX)	New World
Raw Deal		ST				DEG
Re-Animator	(HBO)				MAX	Vestron
Real Genius					*MAX	Tri-Star
Red Sonja			TMC			TBS
Reds	*HBO	(ST)	(TMC)			Paramount
Remains to Be Seen			TMC			MGM/UA
Remo Williams the Adventure Begins					*MAX	Orion
Return of the Jedi	(HBO)	(ST)	(TMC)		*MAX	Lucasfilm
Return of the Living Dead, The	HBO				(MAX)	Hemdale
Rings on Her Fingers					MAX	20th Century-Fox
Rocky IV	(HBO)				MAX	MGM/UA
Sandpiper, The			*TMC		(MAX)	MGM/UA
Savannah Smiles				*DIS		DEG
Scarlet Coat, The				*DIS		MGM/UA
Scorn of Women		ST				Fox Lorber
Second Time Lucky			TMC			Goldfarb
Secret of the Pirates Inn, The				DIS		Disney
Shaker Run	(HBO)				MAX	Goldwyn
Shining Season, A	HBO					Columbia
Silent Rage	HBO				(MAX)	Columbia
Sinbad and the Eye of the Tiger				*DIS	MAX	Columbia
Something Wicked This Way Comes	HBO					Disney
Space Camp	HBO					ABC Distr.
Spiral Staircase, The	HBO				(MAX)	Warner Bros.
Stage Fright					MAX	Warner Bros.
Cat's Eye	HBO					MGM/UA
Silver Bullet		ST	TMC			Paramount
Stick	(HBO)	(ST)	TMC			Universal
Stowaway in the Sky		ST				Janus
Stranger Than Paradise					MAX	Goldwyn
Stratton Story, The		ST	(TMC)	*DIS		MGM/UA
Street Walkin'		*ST			*MAX	New Horizons
Stripes	(HBO)				MAX	Columbia
Student Prince, The				*DIS		MGM/UA
Sudden Death	HBO					Lodestar
Summer Rental		*ST				Paramount
Sunday, Bloody Sunday			TMC			MGM/UA
Sure Thing, The			TMC			Embassy
Swallows and Amazons Forever!				DIS		Primetime Entertainment
Tender Trap, The			TMC			MGM/UA
Terminal Choice	(HBO)	ST	(TMC)			Almi
That Forsythe Woman				DIS	(MAX)	
There Goes My Heart				DIS		Hal Roach Studios
This Sporting Life			TMC			New Century
That Was Then... This Is Now			TMC			Paramount
Those Glory, Glory Days		ST	(TMC)			Film Gallery
Three Little Words				*DIS		MGM/UA
Thunder Alley					*MAX	Cannon
Thunder Run		ST				Cannon
Thunderhead Son of Flicka				DIS	MAX	20th Century-Fox
Time Bandits	(HBO)	(ST)	TMC			Handmade
Tom Sawyer			TMC	*DIS		MGM/UA
Topper				DIS		Hal Roach Studios
Torch Song		(ST)	TMC			MGM/UA
Trenchcoat				DIS		Disney
Two of a Kind				DIS		Lorimar
Under the Cherry Moon					MAX	Warner Bros.
Vamp	HBO					New World
Vanishing Wilderness	(HBO)			*DIS		Pacific Int'l
Verdict, The		(ST)	TMC			20th Century-Fox
Wacky Zoo of Morgan City, The				DIS		Disney
Walk on the Wild Side					MAX	Columbia
Warning Sign			TMC		MAX	20th Century-Fox
We Are Not Alone			TMC			MGM/UA
Wedding, A					MAX	20th Century-Fox
Weird Science	(HBO)	(ST)	TMC		(MAX)	Universal
When, Jenny? When?	HBO					Orbis
Where the Boys Are	HBO		(TMC)			MGM/UA
Whisperers, The			TMC			MGM/UA
Wifemistress					MAX	Castle Hill
Wildrose	*HBO					Troma
Witness		ST				Paramount

Cable Network Legend:
HBO—Home Box Office
ST—Showtime
TMC—The Movie Channel
DIS—The Disney Channel
MAX—Cinemax

- Networks in parentheses indicate carriage in January, February, March, April and/or May.
- An asterisk indicates the film is a carry-over from January, February, March, April and/or May.
- In total, 273 films appear on the June schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 14 have played on four of the five services, 20 have played on three, and 69 have played on two of the five services. One hundred and sixty-two titles on the June schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles on pay TV in June is MGM/UA with 41, followed by Warner Bros. with 28, Columbia Pictures with 27, 20th Century-Fox with 24 and Paramount with 16.
- Titles subject to change.

CABLE STATS

Cable services subscriber count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	245	4,900,000
Alternate View Network	206	2,500,000
American Movie Classics	1,000	4,000,000
Arts & Entertainment (A&E)	2,300	22,000,000
Black Entertainment Television (BET)	812	12,500,000
Cable News Network (CNN)	10,228	38,456,000
Cable Value Network	107	17,100,000
C-SPAN	2,500	27,000,000
C-SPAN II	350	8,000,000
CBN Cable Network	7,452	34,086,000
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	470	6,700,000
The Discovery Channel	1,700	15,000,000
ESPN	15,393	41,100,000
Eternal Word Television Network (EWTN)	363	6,300,000
Financial News Network (FNN)	1,450	24,000,000
FNN/Score	1,050	19,000,000
FNN/TelShop	750	10,500,000
GalaVision	253	500,000
Headline News	3,812	23,598,000
Hit Video USA	41	1,700,000
Home Shopping Network	722	11,613,217
Home Shopping Network 2	245	5,820,000
International Television Network	46	5,000,000
The Learning Channel	820	7,600,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,267	30,600,000
Music Television (MTV)	4,709	33,400,000
The Nashville Network	3,770	26,600,000
National Jewish Television (NJTV)	295	6,800,000
Nickelodeon	5,005	31,700,000
The Nostalgia Channel	215	1,200,000
PTL The Inspirational Network	1,300	13,300,000
QVC Network	450	10,500,000
Rock Christian Network	7	242,900
Silent Network	272	8,133,931
Sky Merchant	12	600,000
Tempo Television	665	12,500,000
The Travel Channel	120	6,000,000
Trinity Broadcasting Network	496	6,560,000
Univision	383	33,673,000
USA Network	8,500	37,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	60	23,000,000
The Weather Channel	2,560	26,000,000
WGN-TV	9,706	22,481,000
WOR-TV	2,125	9,186,214
WPIX-TV	288	2,471,000
WTBS-TV	11,320	40,204,000

Pay services

Bravo	300	400,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	620	610,000
Showtime	3,200	5,400,000

Audio services

Cable Radio Network	31	1,600,000
JazzAmerica	NA	NA
KKGO Super Jazz	12	120,000
Moody Bible Institute	59	868,516
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,000
Seeburg Lifestyle Adult Contemporary	25	536,000
Tempo Sound	300	1,000,000
WFMT Chicago	169	1,357,000

Text services

Text services	Affiliates	Subscribers
AP News Cable	275	3,600,000
AP News Plus	60	1,500,000
Cable SportsTracker	33	2,333,000
DBC/MarketWatch	165	3,300,000
Electronic Program Guide (EPG)	399	7,069,000
EPG Jr.	87	97,100
Genesis Cable Storytime	35	1,300,000
Reuters News View	325	3,250,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	150	5,600,000
Fuji Network	3	12,000
Nippon Golden Network	3	12,000
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	155,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	38	1,404,000
The Ecumenical Channel	7	149,000
KTVT	150	1,891,000
Life Newsvision	35	50,000
Madison Square Garden	90	2,015,000
Meadows Racing Network	14	446,000
News 12 Long Island	7	500,000
Prime Cable	8	325,865
Prime Ticket	30	1,600,000
SportsVision (Chicago)	38	610,000

Pay services

Dodgervision	44	935,000
Giantsvision	38	1,000,000
Home Sports Entertainment—Houston/Dallas	119	216,000
Home Team Sports	100	600,000
New England Sports Network	159	181,482
PRISM-Philadelphia	86	379,004
Pro-Am Sports	128	160,000
SportsChannel (New England)	140	618,843
SportsChannel (New York)	80	800,000
Z Channel	21	84,700

Announced services

Satellite-fed services	Expected launch
Americana Network	2nd Quarter 1988
American Catalog Shopper's Network	4/87
Apollo Entertainment Television	TBA
Barter Resources Shopping Network	3rd Quarter 1987
Comedy Television	2nd Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
EventTelevision	1st Quarter 1987
The Fashion Channel	7/87
Gospel Music Network	3/87
International Business Network	2nd Quarter 1987
International Cablecasting's Cable Radio Network	9/87
Movie Time	7/87
Ozark Mountain Network	2[illegible]7
The Preview Network	5/87
Telaction	6/87
Tunnelvision	10/87
Vacation Travel Network	6/87
World Travel Network	2nd Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
NA denotes not available. TBA denotes to be announced.

CableVision
MAY 18, 1987
INFORM [illegible] ANALYSIS FOR CABLE TELEVISIO[illegible] [illegible]NAGEMENT

C4722-2
5/22/87

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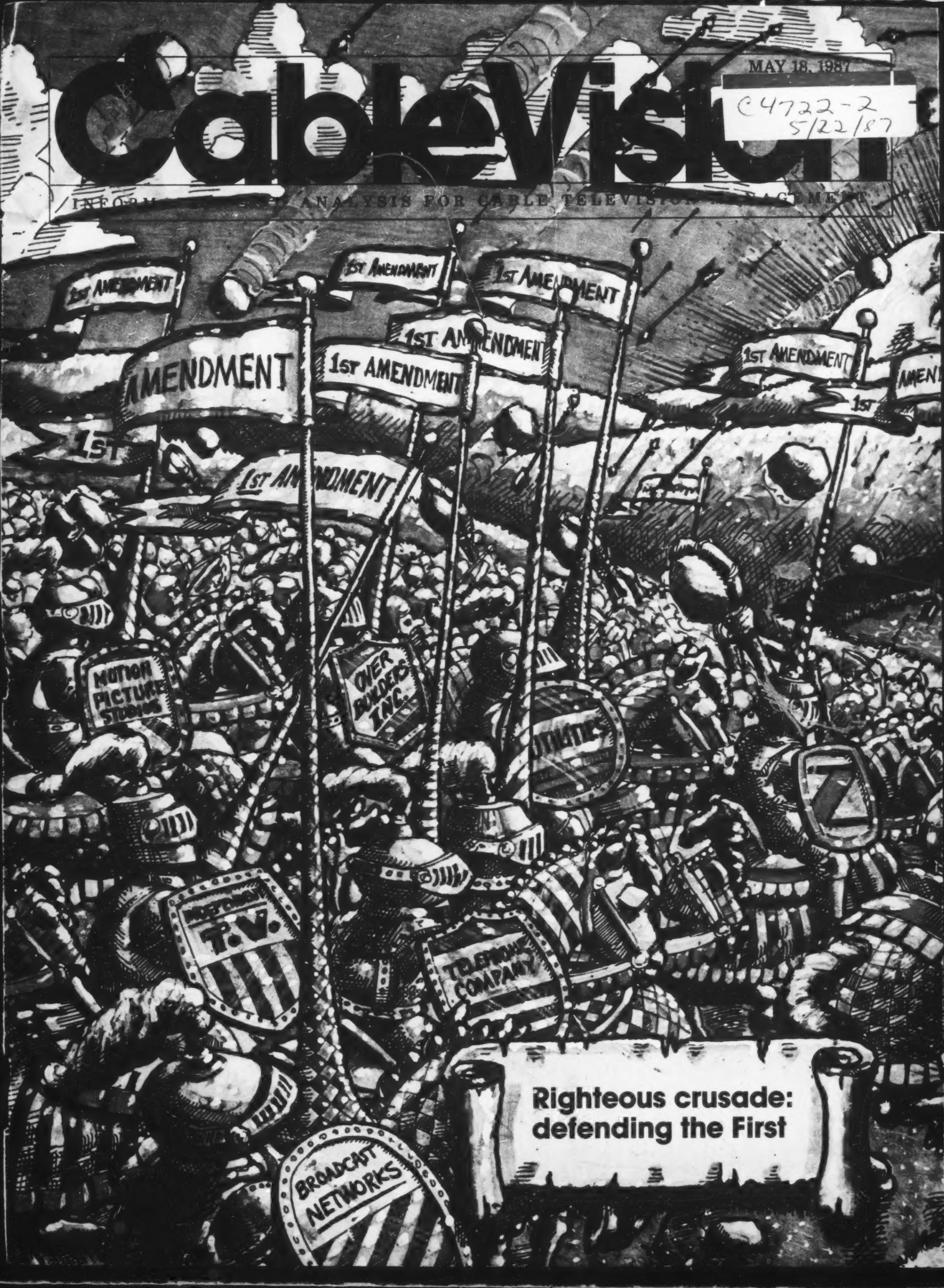
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OVER BUILDERS INC.
UTILITIES
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T.V.
TELEPHONE COMPANY
BROADCAST NETWORKS

Righteous crusade: defending the First

CableVision

FRONTLINE

Malone as peacemaker 14
Tele-Communications Inc. President John Malone, in a speech delivered in Washington, calls for the competing television entertainment industry sectors to resolve their differences rather than awaiting government intervention in their disputes.

ESPN's NFL bandwagon 18
Successful negotiations on fees to be paid by operators to ESPN to cover the expense of its NFL Sunday night game package have left all sides anticipating 90 to 100 percent penetration for the high-profile programming. A major marketing juggernaut is part of the plan.

Booming systems market 22
The prices being paid for cable systems continue to defy expectations that a variety of factors would conspire to put downward pressure on values this year. Even the emergence of stock-based transactions has not dampened buyers' enthusiasm.

Departments

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PROGRAMMING

Sizing up cable's stake in the networks 30
Operators say their increasing equity interest in cable programming networks is not intended to control them, but to ensure a better product for subscribers. The details of a host of new equity deals provide clues as to the validity of the claim.

MEDIA WATCH

Telco competition looms 50
Aggressive plans on the part of three major telephone companies point up the possibility that cable operators may be facing hard choices respecting the construction of all-fiber optics networks much sooner than expected.

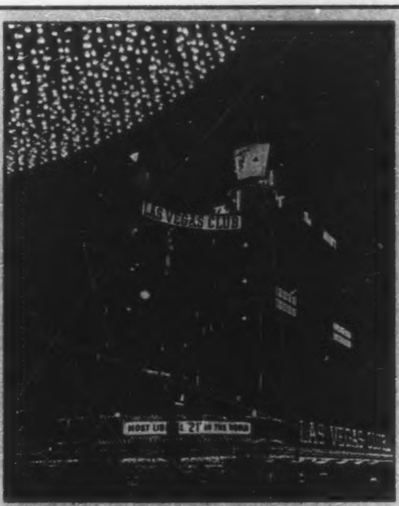
LAW AND REGULATION

Cable's First Amendment case: a legal roundtable 60
Three prominent attorneys representing cable industry interests articulate the case for keeping cable free of regulatory restraints, and a top House Commerce Committee aide responds. The question: how well are cable's arguments playing politically?

Brenda Fox

BOOTH GUIDE

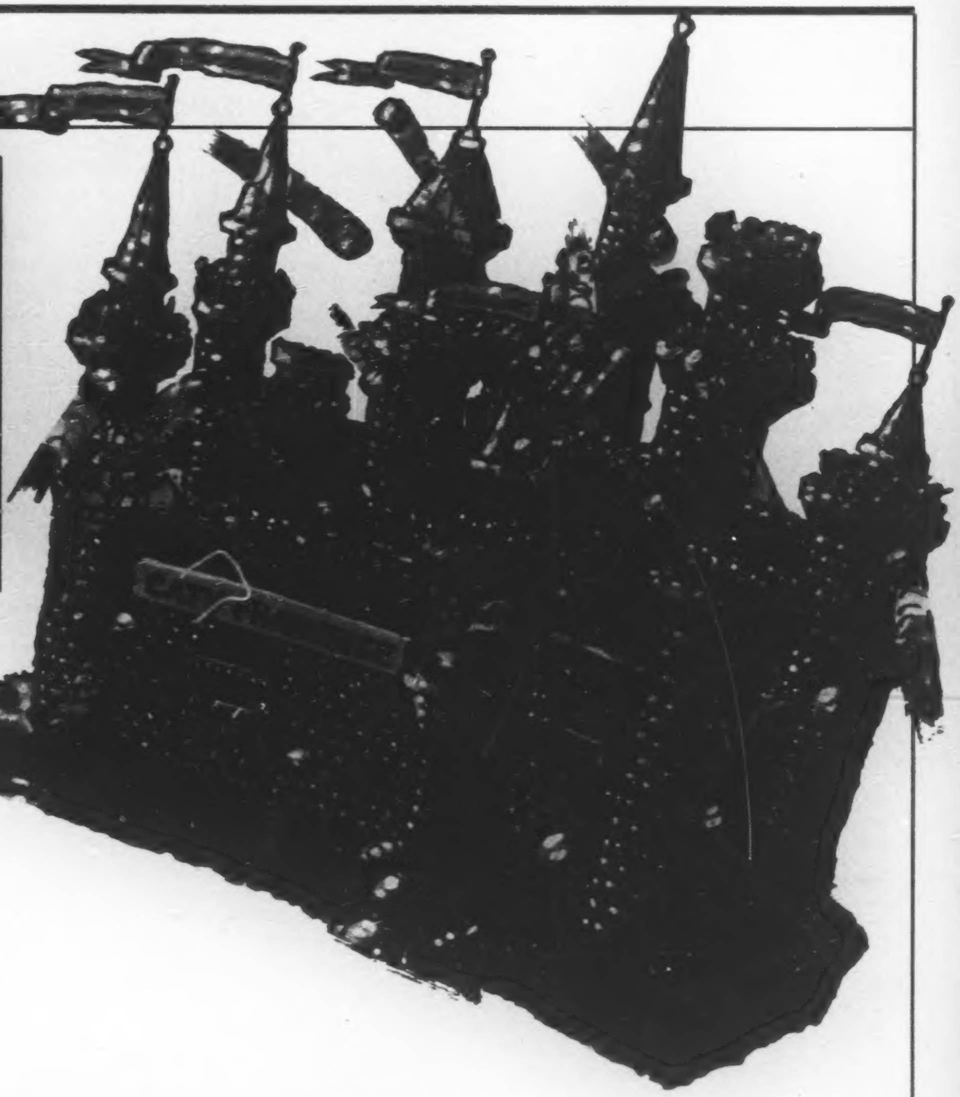
Cable '87 111
Attendance at this year's National Cable Television Association convention in Las Vegas is expected to top 12,000, with 255 exhibitors planning to show their wares when the opening gun sounds May 18. Included here is a full list of exhibitors and where they can be found.



PRODUCTS AND TECHNOLOGY

Mounting concern over signal quality 130
The scramble to keep cable service flowing to its customers, cleanly and without interruption, is proving to be a major drain on resources and skill, prompting many engineers to question whether the industry can live long-term with the current system architecture.

Kay Koplovitz



Mooney addresses the competition issue 61
James Mooney, president of the National Cable Television Association, takes on questions raised by cable's opponents with a rational framework built on the contention that broadcast television is a direct competitor to cable.

MANAGEMENT

Bright ideas honored 106
The National Cable Television Association has finished judging entries in its first management paper competition. Each of the six winners, who are presenting their innovative business plans at the Las Vegas convention, offer ideas that could benefit other systems in such matters as controlling pay churn, recapturing disenchanted ex-subscribers and reducing hassles in high-transiency environments.

Georgia Griffith

FORUM

The INTV perspective 84
Preston Padden, the president of the Association of Independent Television Stations writes that broadcasters, in backing reinstatement of syndicated exclusivity, are only asking for the same type of programming exclusivity already enjoyed by cable.

BUSINESS & FINANCE

Assessing media concentration 86
Though consolidation in the cable industry is certainly on the rise, antitrust experts don't expect the government to intervene in the near future. In fact, they say, other media industries may be more monopolistic.

Rashi Glazer

Pay Per View Supply Chart

June

Source

The Boss's Wife (6/1) — Tri-Star
MPAA Rating: R Running Time: 82 mins.
Cast: Daniel Stern, Arielle Donbasle, Fisher Stevens.

Busted Up (6/1) — Universal
MPAA Rating: R Running Time: 92 mins.
Cast: Irene Cara, Paul Conjos, Toni Rosato.

Children of a Lesser God (6/1) — Paramount
MPAA Rating: R Running Time: 110 mins.
Cast: William Hurt, Marlene Matlin.

Everytime We Say Goodbye (6/1) — Tri-Star
MPAA Rating: PG-13 Running Time: 97 mins.
Cast: Tom Hanks, Christina Marsillach.

Fairy Tales (6/1) — The Samuel Goldwyn Co.
MPAA Rating: R Running Time: 85 mins.
Cast: Don Sparks, Martha Reeves.

The Fix (6/1) — The Samuel Goldwyn Co.
MPAA Rating: NR Running Time: 95 mins.
Cast: Vince Edwards, Richard Jaeckel.

Hannah and Her Sisters (6/24) — HBO Enterprises
MPAA Rating: PG-13 Running Time: 105 mins.
Cast: Woody Allen, Mia Farrow, Michael Caine.

Horn of the Assassin (6/4) — MGM/Concorde
MPAA Rating: R Running Time: 96 mins.
Cast: Eric Estrada, Robert Vaughn.

The Manhattan Project (6/1) — 20th Century-Fox
MPAA Rating: PG-13 Running Time: 117 mins.
Cast: John Lithgow, Richard Council, Robert Schenkker.

The Morning After (6/25) — Lorimar
MPAA Rating: R Running Time: 103 mins.
Cast: Jane Fonda, Jeff Bridges, Raul Julia.

Never Too Young To Die (6/1) — The Samuel Goldwyn Co.
MPAA Rating: R Running Time: 93 mins.
Cast: Gene Simmons, Vanity, John Stamos.

Paradise Motel (6/1) — The Samuel Goldwyn Co.
MPAA Rating: PG Running Time: 90 mins.
Cast: Gary Hirschberger, Robert Krantz, Jonna Leigh Stack.

Sid And Nancy (6/15) — The Samuel Goldwyn Co.
MPAA Rating: R Running Time: 111 mins.
Cast: Gary Oldman, Chloe Webb.

Something Wild (6/24) — Orion
MPAA Rating: R Running Time: 114 mins.
Cast: Melanie Griffith, Jeff Daniels, Ray Liotta.

True Stories (6/10) — Warner Bros.
MPAA Rating: PG Running Time: 89 mins.
Cast: John Goodman, Annie McEnroe, Swoozie Kurtz.

Wanted Dead or Alive (6/11) — HBO Enterprises
MPAA Rating: R Running Time: 104 mins.
Cast: Rutger Hauer.

July

Source

Cinderella (7/1) — The Samuel Goldwyn Co.
MPAA Rating: NR Running Time: 83 mins.
Cast: Leslie Anne Warren, Stuart Damon.

Crimes of the Heart (7/15) — Lorimar
MPAA Rating: PG-13 Running Time: 105 mins.
Cast: Sissy Spacek, Jessica Lange, Diane Keaton.

The Golden Child (7/1) — Paramount
MPAA Rating: PG-13 Running Time: 94 mins.
Cast: Eddie Murphy, Charlotte Lewis, Charles Dance.

Heartbreak Ridge (7/15) — Warner Bros.
MPAA Rating : R Running Time: 130 mins.
Cast: Clint Eastwood, Marsha Mason, Everett McGill.

Miss Mary (7/22) — HBO Enterprises
MPAA Rating: R Running Time: 99 mins.
Cast: Julie Christi, Luisina Brando.

The Mosquito Coast (7/29) — Warner Bros.
MPAA Rating: PG Running Time: 118 mins.
Cast: Harrison Ford, Helen Mirren, River Phoenix, Conrad Roberts.

Munchies (7/30) — MGM/Concorde
MPAA Rating: PG Running Time: 83 mins.
Cast: Harvey Korman, Charles Stratton, Nadine Van Der Velde.

Night Mother (7/1) — Universal
MPAA Rating: PG-13 Running Time: 96 mins.
Cast: Sissy Spacek, Anne Bancroft.

No Mercy (7/1) — Tri-Star
MPAA Rating: R Running Time: 106 mins.
Cast: Richard Gere, Kim Basinger.

Omega Syndrome (7/22) — HBO Enterprises
MPAA Rating: R Running Time: 90 mins.
Cast: Ken Wahl, Doug McClure, George DiCenzo.

Return to Horror High (7/22) — HBO Enterprises
MPAA Rating: R Running Time: 95 mins.
Cast: Vince Edwards, Alex Rocco, Scott Jacoby.

Note: Running times are approximate. NR indicates film not rated by MPAA. Film information provided to International Thomson Communications Inc. by distributors.

Pay Per View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	All movies, 24 hours per day 50-60 titles per month	Field trial basis; currently serving 10 MSOs nationwide. (2,500 Impulse addressable subscribers).
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title, plus up to two licensed films edited for Playboy.	Available in systems serving 185,000 subs (139,000 addressable).
Request Television	November 27, 1985	Galaxy 1, tr. 12	VideoCipher II	Min. of four major motion pictures per week over 14 day cycle, special events	Available in systems serving 3 million subs. (2 million addressable).
Telstar Channels	June 5, 1986	Interrum Standalone, testing on Telstar 303	Testing G.I. Starloc IV	Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events.	Available in systems serving 74,000 subs (11,500 addressable).
Viewer's Choice	November 26, 1985	VC-1 Satcom 3R, tr. 5, VC-2 Galaxy 1, tr. 16	VideoCipher II	One major motion picture per week, special events	Available in systems serving 2.6 million subs. (1.6 million addressable).

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite lineup

Satcom III-R (RCA Americom)

	Transponder
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	12
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
rytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
The Travel Channel	16
Trinity Broadcasting Network	3
TV Decisions	24
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)

	Transponder
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)

	Transponder
CNN	5

Westar IV (Western Union)

	Transponder
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)

	Transponder
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)

	Transponder
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)

	Transponder
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III

	Transponder
The Meadows Racing Network	17
National Shopping Club	23
Sky Merchant	11

Note: Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	4,189,000	(12/86)
2.	American Television and Communications Corp.	2,888,957	(3/87)
3.	Heritage Communications Inc.	1,856,000	(3/87)
4.	Continental Cablevision	1,413,000	(1/87)
5.	Storer Cable Communications	1,394,000	(2/87)
6.	Cox Cable Communications	1,355,195	(1/87)
7.	Warner Cable Communications Inc.	1,323,847	(3/87)
8.	Comcast	1,234,536	(2/87)
9.	United Cable	1,090,510	(2/87)
10.	Newhouse Broadcasting	1,024,948	(3/87)
11.	Viacom Cablevision	968,000	(1/87)
12.	Jones Intercable	889,313	(4/87)
13.	Times Mirror Cable Television Inc.	847,009	(1/87)
14.	Sammons Communications Inc.	824,627	(2/87)
15.	UA Cablesystems Corp.	753,363	(12/86)
16.	Cablevision Systems Corp.	687,000	(12/86)
17.	Century Communications Corp.	600,000	(12/86)
18.	Paragon Cable	571,663	(3/87)
19.	Rogers Cablesystems Inc.	535,207	(2/87)
20.	Daniels & Associates	528,026	(3/87)
21.	Telecable Corp.	497,145	(3/87)
22.	Centel Cable	493,765	(4/87)
23.	Cable Vision Industries	457,077	(12/86)
24.	American Cablesystems Corp.	442,809	(3/87)
25.	Cooke Cablevision	435,000	(2/87)
26.	Adelphia Communications	434,473	(4/87)
27.	Scripps-Howard	390,000	(3/87)
28.	Falcon Cable	379,000	(2/87)
29.	Post-Newsweek	372,860	(3/87)
30.	Wometco Cable TV Inc.	336,820	(1/87)
31.	TCA Group	331,564	(2/87)
32.	Prime Cable Corp.	325,865	(3/87)
33.	Multimedia Cablevision	294,804	(3/87)
34.	Colony Communications Inc.	259,310	(2/87)
35.	Maclean Hunter Cable TV Ltd.	250,215	(2/87)
36.	Rifkin & Associates	250,000	(4/87)
37.	Western Communications	238,215	(4/87)
38.	Lenfest Group	236,262	(2/87)
39.	Tele-Media	215,000	(7/86)
40.	Communications Service Inc.	210,000	(12/86)
41.	Service Electric Cable TV Inc.	195,000	(3/87)
42.	TKR Cable Co.	186,139	(1/87)
43.	TCI-Taft	181,318	(1/87)
44.	Cencom Cable	174,416	(3/87)
45.	Hauser Communications Inc.	165,000	(12/86)
46.	Adams-Russell Communications	159,306	(3/87)
47.	Harte-Hanks Communications	153,119	(4/87)
48.	Media General Inc.	149,028	(4/87)
49.	Harron Communications	148,412	(12/86)
50.	Greater Media	146,951	(4/87)
51.	Sutton Capital Corp.	141,379	(3/87)
52.	Palmer Communications	141,263	(2/87)
53.	Marcus Communications	141,052	(3/87)
54.	Armstrong Utilities	138,651	(3/87)
55.	Televents Inc.	129,801	(2/87)
56.	Blade Communications	128,067	(2/87)
57.	The Essex Group	116,346	(3/87)
58.	Summit Communications	115,568	(1/87)
59.	First Carolina Communications Inc.	114,104	(1/87)
60.	U.S. Cable Corp.	111,190	(2/87)
61.	Sonic Communications	110,000	(3/87)
62.	Multi-Channel TV Cable Inc.	109,822	(2/87)
63.	Simmons Communications	109,100	(2/87)
64.	Columbia International	107,078	(3/87)
65.	Bresnan Communications Co.	104,136	(4/87)
66.	Northland Communications	103,550	(1/87)
67.	Booth Communications	102,553	(2/87)
68.	King Videocable	102,000	(3/87)
69.	Scott Cable Communications	95,880	(2/87)
70.	Vision Cable	94,996	(4/87)
71.	M.L. Media Partners	94,000	(1/87)
72.	Susquehanna Broadcasting	90,923	(3/87)
73.	McDonald Group	90,079	(8/84)
74.	Midcontinent Cable Systems Co.	88,104	(3/87)
75.	James Communications	87,533	(2/87)
76.	WEHCO Video	87,448	(3/87)
77.	United Video Management	80,171	(2/87)
78.	Pencor Services	79,028	(3/87)
79.	Omega Communications	77,626	(1/87)
80.	Selkirk Communications	68,000	(2/87)
81.	C4 Media Corp.	64,719	(3/87)
82.	Wisconsin Cablevision and Radio Co.	63,425	(3/87)
83.	Acton Corp.	60,035	(1/87)
84.	Mountain Cable Co	58,459	(3/87)
85.	Galaxy Cablevision	56,462	(3/87)
86.	Chambers Communications Corp.	53,809	(3/87)
87.	Masada Corp.	53,503	(1/87)
88.	Cardinal Communications	53,200	(2/87)
89.	North American Comm. Corp.	50,616	(3/87)
90.	Tidel Communications	50,427	(4/87)
91.	Insight Communications	50,000	(2/87)
92.	Enstar Communications	49,624	(3/87)
93.	Hearst Communications of California	49,106	(2/87)
94.	State Cable TV	48,861	(2/87)
95.	Helicon Corp.	48,000	(11/86)
96.	Joseph Gans Cable TV	46,532	(11/86)
97.	Dowden Cable	45,760	(4/87)
98.	Donrey Cablevision	44,112	(4/87)
99.	Commonwealth Cable Systems	43,425	(1/87)
100.	New England Cablevision	43,199	(2/87)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	278,173	(12/86)
2.	Woodbury (Long Island), NY	Cablevision Systems Corp.	277,462	(1/87)
3.	San Antonio, TX	Rogers	220,510	(3/87)
4.	Manhattan, NY	ATC	229,907	(3/87)
5.	East Orange, NJ	Maclean Hunter	189,917	(3/87)
6.	Houston, TX	Warner	186,788	(3/87)
7.	Honolulu, HI	ATC	180,882	(3/87)
8.	Puget Sound, WA	Viacom	175,000	(1/87)
9.	Phoenix, AZ	Times Mirror	157,615	(1/87)
10.	Cincinnati, OH	Warner	155,705	(3/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	154,930	(2/87)
12.	Wayne, NJ	UA Cablesystems	152,460	(2/87)
13.	Englewood, CO	United Cable	151,094	(2/87)
14.	Tulsa, OK	United Cable	145,757	(2/87)
15.	Rochester, NY	ATC	145,538	(3/87)
16.	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
17.	Cherry Hills, NJ	NYT	140,105	(1/87)
18.	Hampton Roads, VA	Cox Cable	138,601	(12/86)
19.	Atlanta, GA	Prime Cable Corp.	137,196	(3/87)
20.	Hartford/Plainville, CT	United Cable	136,479	(2/87)
21.	Fairfax, VA	Media General	135,098	(2/87)
22.	Jacksonville, FL	Continental	131,000	(1/87)
23.	Kansas City, MO	ATC	129,788	(3/87)
24.	Buffalo, NY	Adelphia Communications	128,105	(4/87)
25.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
26.	Erie County, NY	Adelphia	127,160	(3/87)
27.	Memphis/W. Memphis, TN	ATC	125,715	(3/87)
28.	Seattle, WA	Tele-Communications Inc.	125,000	(12/86)
29.	Manhattan, NY	Paragon Cable	123,000	(3/87)
30.	Baltimore County, MD	Comcast	122,730	(9/86)
31.	San Jose, CA	Gill Industries	119,100	(2/87)
32.	Charlotte, NC	ATC	118,791	(3/87)
33.	Long Island, NY	Viacom	112,000	(1/87)
34.	Austin, TX	ATC	111,537	(3/87)
35.	San Diego, CA	ATC	111,522	(3/87)
36.	San Francisco, CA	Viacom	106,500	(1/87)
37.	Toledo, OH	Blade Communications	105,346	(2/87)
38.	San Juan, PR	ML Media Partners	104,823	(11/86)
39.	Pompano, FL	American Cablesystems	103,382	(3/87)
40.	Warren, NJ	TKR	101,406	(2/87)
41.	Dallas, TX	Heritage	100,056	(3/87)
42.	Jefferson Parish/Kenner, LA	Cox Cable	96,904	(12/86)
43.	Southeast Michigan	Comcast	96,454	(9/86)
44.	Pinellas County, FL	Vision Cable	94,996	(4/87)
45.	Wilmington, DE	Heritage	92,852	(3/87)
46.	Grand Rapids, MI	UA Cablesystems	92,503	(2/87)
47.	Dade/Broward, FL	Storer	91,000	(2/87)
48.	Raleigh/Durham, N.C.	ATC	88,198	(3/87)
49.	Escondido, CA	Times Mirror	87,586	(1/87)
50.	Richmond, VA	Continental	86,866	(3/87)
51.	Wichita, KS	Multimedia Cablevision	85,324	(3/87)
52.	Pittsburgh, PA	Tele-Communications Inc.	85,000	(12/86)
53.	Jackson/Monroe, MS	ATC	82,500	(12/85)
54.	South Texas, TX	Heritage	82,013	(3/87)
55.	Oakland County, MI	United Cable	81,245	(2/87)
56.	Indianapolis, IN	Comcast	80,969	(5/86)
57.	Tacoma, WA	Viacom	80,500	(2/87)
58.	Boston, MA	Cablevision	79,100	(12/86)
59.	Harrisburg, PA	Sammons Communications	78,864	(2/87)
60.	Dover, Morristown, NJ	Sammons	78,797	(2/87)
61.	Flint, MI	Comcast Cable	78,349	(9/86)
62.	Baton Rouge, LA	Daniels & Assocs.	77,894	(3/87)
63.	Milwaukee, WI	Warner	77,270	(3/87)
64.	Las Vegas, NV	Prime	75,665	(3/87)
65.	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
66.	Greensboro, NC	ATC	74,100	(12/85)
67.	South Bend, IN	Heritage	74,030	(3/87)
68.	Santa Monica, CA	Century	74,000	(5/86)
69.	Nashville, TN	Viacom	74,000	(1/87)
70.	Allentown, PA	Service Elec.	74,000	(3/87)
71.	New Orleans, LA	Cox Cable	73,579	(12/86)
72.	Orange County, CA	Times Mirror	72,863	(1/87)
73.	Akron, OH	Warner	72,467	(3/87)
74.	Cleveland Heights, OH	Viacom	71,600	(1/87)
75.	Columbus, OH	Warner	71,097	(3/87)
76.	Fayetteville, NC	ATC	70,136	(3/87)
77.	Contra Costa Co. CA	Televents	69,351	(2/87)
78.	Medford Complex (Boston Suburbs), MA	Warner	69,235	(3/87)
79.	Ocean County, NJ	Adelphia	68,851	(4/87)
80.	Little Rock, AR	Storer	68,393	(2/87)
81.	Omaha, NE	Cox Cable	67,456	(12/86)
82.	Des Moines, IA	Heritage	67,205	(3/87)
83.	Indianapolis,IN	ATC	66,674	(3/87)
84.	Birmingham, AL	ATC	66,254	(3/87)
85.	New Haven, CT	Storer	65,595	(2/87)
86.	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
87.	Syracuse (suburbs), NY	NewChannels Corp.	64,847	(3/87)
88.	St. Petersburg, FL	Paragon Cable	64,478	(5/86)
89.	Cook County, IL	Continental	64,272	(3/87)
90.	Albuquerque, NM	Jones Intercable	64,000	(4/87)
91.	Monterey, CA	Western Communications	63,815	(4/87)
92.	Greater Bridgeport, CT	Cablevision Co.	63,780	(12/86)
93.	Winston-Salem, N.C.	Summit	63,227	(2/87)
94.	Sarasota, FL	Storer	63,207	(2/87)
95.	Oklahoma City, OK	Cox Cable	63,099	(12/86)
96.	Lower Fairfield Co., CT	Cablevision Co.	63,028	(12/86)
97.	Madison, WI	Tele-Communications Inc.	63,000	(12/86)
98.	Santa Barbara, CA	Cox Cable	62,268	(12/86)
99.	El Paso, TX	Group W (ATC)	62,000	(9/86)
100.	Lincoln, RI	Heritage	61,615	(3/87)

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6/8/87

JUNE 1, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

NCTA TO OPPOSE STAY IN MUST-CARRY CASE

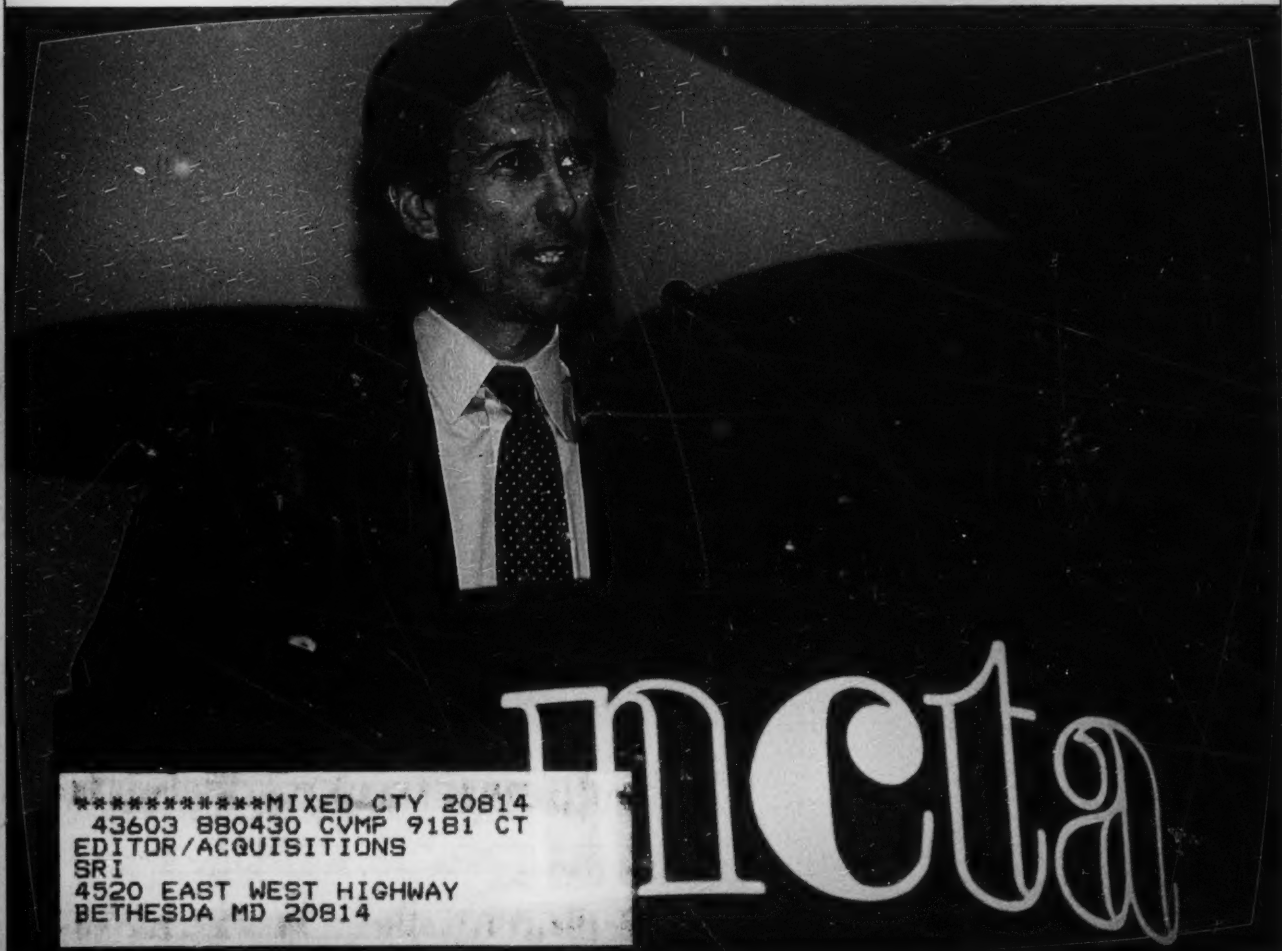
JUSTICE DEPT. EYES TBS DEAL AT DEADLINE

PAY-PER-VIEW MOMENTUM BUILDS AT NCTA SHOW

FESTIVAL LAUNCHES AMID NEWS OF PAY SURGE

OPERATORS SAY SUB COUNTS OUTPACE EXPECTATIONS

NCTA SHOW FOCUS ON SYNDEX: PATRICK EXPLAINS FCC AGENDA



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CableVision

FRONT LINE

Must-carry surprise 12
In a move aimed at confirming its commitment to the must-carry pact with the broadcasting industry, the National Cable Television Association said it will oppose a stay of must-carry rules while a court weighs a case brought by several operators against the FCC order.

Justice Dept. eyes deal 16
Details of the proposed bailout of Turner Broadcasting System by operators were revealed at the NCTA convention, along with the fact that the Justice Department was taking a "very close look" at the proposed arrangement as the May 29 debt default deadline neared.

Bob Mathews dies 17
CableData's founder, Bob Mathews, Succumbed to cancer at the age of 49.

PPV momentum builds 18
With Telstar Channels launching its pay-per-view service during the NCTA show, activity quickened on a number of fronts, including new developments in impulse order taking and reports of significant revenue gains among operators.

Community relations success 20
The project backed by the Cable Television Public Affairs Association in Tucson, Ariz., has produced dividends in good will and improved penetration for the McCaw system there.

PROGRAMMING

Pay TV paying off 25
Reports of subscriber gains by premium programmers and the launch of HBO's Festival service attracted much attention at the NCTA convention. The resurgence of pay television was attributed to increased marketing and a softening of VCR competition.

System ACEs awarded 26
The Cable Academy selected 34 winners from 720 entries and presented them with the industry's highest honor for local cable programming.

LAW AND REGULATION

Session on syndex 37
The cable industry's concern about the FCC's apparent intention to resurrect syndicated exclusivity was made clear to new FCC Chairman Dennis Patrick and members of Congress at the NCTA convention.

CABLE '87
EDWARD M. ALLEN
J. JAMES EXON
TED STEVENS
TIMOTHY WIRTH

MARKETING

Weekly guide working out 42
TV Host Inc. is proving that system-specific programming information can be delivered on a weekly basis to cable subscribers without financial support from MSOs.

BUSINESS & FINANCE

'87 off to a dramatic start 44
The cable subscriber base is growing faster than most executives predicted as many MSOs experienced their strongest first quarters ever.

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FCC chief sets agenda 36
Dennis Patrick, the new chairman of the FCC, addresses syndicated exclusivity, competition and other issues in an exclusive interview with *CableVision*. Cover photo by Candace Drake.

Film product comparison-July

Film	Pay Networks					Distributor
9½ Weeks		(ST)	TMC			TBS
16 Days to Glory: Part 2				*DIS		Paramount
Adventures of a Plumber's Mate		ST				Miramax
Adventures of a Taxi Driver			TMC			Miramax
Adventures of the American Rabbit, The				*DIS		Topper
Agnes of God	(HBO)				*MAX	Columbia
Alfie			TMC		(MAX)	Paramount
Alice's Adventures in Wonderland	(HBO)	ST				Muller Media
Aliens	HBO	ST	TMC		MAX	20th Century-Fox
American Anthem	*HBO					Columbia
Angel and the Badman, The			(TMC)	DIS	(MAX)	Trenchcoat
Arthur		ST	TMC			Warner Bros.
Arthur's Hallowed Ground			TMC	*DIS		Film Gallery
Assault on Precinct 13			*TMC		(MAX)	Goldwyn
Asterix and Cleopatra				DIS		Gaumont
At Last, At Last		*ST				J. Brenner
Atta Girl, Kelly				DIS		Disney
Back to School	HBO					Orion
Back to the Future	(HBO)	(ST)	(TMC)		MAX	Universal
Barretts of Wimpole Street, The		ST				MGM/UA
Beast from 20,000 Fathoms, The			*TMC			Warner Bros.
Beautiful Blonde from Bashful Bend, The				*DIS		Wacky Zoo
Best of Times, The	(HBO)	(ST)	*TMC		(MAX)	Universal
Big Trouble in Little China	HBO	ST	TMC			Fox/Lorber
Bitch, The		ST				Brent Walker
Blood Alley		ST	(TMC)			Warner Bros.
Blue Skies Agian			TMC			Warner Bros.
BMX Bandits	(HBO)	ST				Transcon
Boy Who Could Fly, The				DIS		Lorimar
Brazil	HBO		(TMC)		(MAX)	Universal
Breakthrough (1950)			TMC		(MAX)	Warner Bros.
Bridge on the River Kwai, The	(HBO)		*TMC	(DIS)	(MAX)	Columbia
Brothers by Choice				DIS		Atlantis
Brothers Karamazov, The			TMC			MGM/UA
By the Light of the Silvery Moon		(ST)	TMC		(MAX)	Warner Bros.
Can You Keep It Up for a Week?			TMC			Miramax
Candidate, The	(HBO)	ST	(TMC)			Warner Bros.
Captain Horatio Hornblower		ST				Warner Bros.
Cattle King		ST				MGM/UA
Cease Fire			*TMC			Southbrook
Challenge for Robin Hood, A		ST				Warner Bros.
Chorus Line, A: The Movie					MAX	Columbia
Christian the Lion				DIS		Art Greenfield
Clan of the Cave Bear					*MAX	Warner Bros.
Clue		ST	(TMC)			Paramount
Coca-Cola Kid, The			*TMC			Film Gallery
Cocoon	HBO	(ST)	(TMC)		(MAX)	20th Century-Fox
Commando	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox
Company of Wolves, The			*TMC			Cannon
Corn is Green, The			*TMC			Warner Bros.
Creator	(HBO)	(ST)	TMC		(MAX)	Universal
Creepshow					MAX	Warner Bros.
Cross Creek	(HBO)			DIS		HBO
Cruel Sea, The		ST	(TMC)			New Century
D.A.R.Y.L.		(ST)	TMC			Paramount
Dance with a Stranger			TMC			Goldwyn
Death of a Salesman			TMC			ICM
Desert Hearts			TMC			Goldwyn
Dot and Keeto				DIS		Cori Films
Dot and the Smugglers				*DIS		Cori Films
Down and Out In Beverly Hills		(ST)	TMC			Touchstone
Dragonslayer	(HBO)	(ST)		DIS		Paramount
Duchess of Idaho		(ST)	TMC			MGM/UA
Electric Dreams			TMC		MAX	MGM/UA
Eleni					*MAX	Warner Bros.
Elephant Man, The	(HBO)		*TMC			Paramount
Elopement				DIS		20th Century-Fox
Emmanuelle 4		ST			(MAX)	MGM/UA
Enemy Mine	HBO	(ST)	*TMC		(MAX)	20th Century-Fox
Escape to Witch Mountain				DIS		Disney
Fantastic Adventures of Unico, The				DIS		Sanrio
Fixer, The		ST				MGM/UA
Flesh and Blood					MAX	Orion
For Heaven's Sake		(ST)	TMC			Viacom
Fourth Wish, The				DIS		Pacific Int'l
Fright Night	HBO				(MAX)	Columbia
Get Crazy					MAX	Embassy
Girls Just Want to Have Fun	HBO					New World
Glass Bottom Boat		(ST)		DIS	(MAX)	MGM/UA
Gold is Where You Find It		ST		(TMC)		MGM/UA
Goonies, The					*MAX	Warner Bros.
Gospel					MAX	Golden Door
Gotcha!	(HBO)	(ST)	TMC			Universal
Great American Cowboy				DIS		Disney
Great Gatsby, The			TMC		(MAX)	Paramount
Gremlins	(HBO)	ST	TMC		(MAX)	Warner Bros.
Half a Sixpence				DIS		Paramount
Happy Hooker, The		(ST)	TMC			Cannon
Haunted Honeymoon	HBO	ST				Orion
Heartburn		ST	TMC			Paramount
Heathcliff: The Movie				DIS		Clubhouse
Heavenly Bodies	HBO					MGM/UA
Here Comes the Groom			TMC			Paramount
Highlander	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox
Hitcher, The	*HBO				(MAX)	Silver Screen
Home of the Brave					MAX	Cinecom
Horse's Mouth, The			TMC			New Century
Hot Moves		ST	(TMC)			RK Video
Hotel			*TMC		(MAX)	Warner Bros.
How Sweet It Is			TMC			Warner Bros.
Howard the Duck	HBO	ST	TMC			Universal
Hundra			TMC			Goldfarb
Impossible Years, The		ST				MGM/UA
Invaders From Mars		(ST)	*TMC			Cannon
Jake Speed	(HBO)				MAX	New World
Jesse Owens Story, The				*DIS		Paramount
Jewel of the Nile, The	HBO	ST			(MAX)	20th Century-Fox
Kaleidoscope			TMC			Warner Bros.
Karate Kid Part 2, The	HBO				MAX	Columbia
King of the City		ST				Lorimar
King Solomon's Mines		ST	(TMC)			Cannon
Kiss of the Spider Woman		*ST	(TMC)			Embassy
Labyrinth					MAX	Tri-Star
Lady Jane			*TMC			Paramount
LadyHawke	(HBO)	(ST)	TMC		(MAX)	Warner Bros.
Legend of Billie Jean, The	*HBO					Tri-Star
Letter to Breshnev			TMC		(MAX)	Circle
Lion of Africa, The	HBO					Lois Luger
Little Shepard of Kingdom Come				DIS		20th Century-Fox
Longshot, The			TMC		(MAX)	Orion
Loose Screws		ST				New Horizons
Lord of the Flies			TMC			New Century
Lucas	(HBO)	(ST)			MAX	New World
Lullaby of Broadway			TMC		(MAX)	Warner Bros.
Macaroni		ST	(TMC)			Paramount
Madwoman of Chaillot, The			TMC			Warner Bros.
Magnificent Dope, The			TMC	*DIS		20th Century-Fox
Man Who Came to Dinner, The		ST	(TMC)			MGM/UA
Marie: A True Story		ST	(TMC)			TBS
Master of Ballantrae (1953)		(ST)	TMC		(MAX)	Warner Bros.
Maximum Overdrive		ST	TMC			DEG
Meanest Man In the World, The				DIS		20th Century-Fox
Meet Me After the Show				DIS		20th Century-Fox
Merrily We Live				*DIS		Hal Roach Studios
Mike's Murder			TMC			Warner Bros.
Minstrel Man			*TMC			Viacom
Miracles	HBO					Orion
Mommie Dearest			TMC			Paramount
Mr. Rossi's Vacation				DIS		Italtoons
My Fair Lady				*DIS		CBS Broadcast Int'l
Mystery at Fire Island		ST				Scholastic
No Deposit, No Return				*DIS		Disney
Not Quite Human				*DIS		Disney
Not Quite Paradise	HBO					New World
O'Henry's Full House			TMC			20th Century-Fox

Film	Pay Networks					Distributor
Old Man and the Sea, The			TMC			Warner Bros.
Oliver	HBO				(MAX)	Columbia
One Night Only		ST				Film Gallery
One Potato, Two Potato			TMC			Viacom
Out of Africa	(HBO)	(ST)	*TMC		(MAX)	Universal
Out of Bounds					MAX	Columbia
Pee Wee's Big Adventure		ST	(TMC)		(MAX)	Warner Bros.
Pope of Greenwich Village, The		ST	(TMC)		(MAX)	MGM/UA
POW The Escape		(ST)	TMC			Cannon
Prince of the City			TMC		(MAX)	Warner Bros.
Puss in Boots				DIS		Universal
Quicksilver	(HBO)				*MAX	Columbia
Re-Animator			TMC		(MAX)	Vestron
Red Badge of Courage, The		ST	(TMC)		(MAX)	MGM/UA
Red Sonja		(ST)	TMC		(MAX)	TBS
Reds	(HBO)		TMC			Paramount
Rodgers and Hammerstein's Cinderella				DIS		Goldwyn
Runaway Train		ST	(TMC)			Cannon
Runner Stumbles, The			TMC			Viacom
Running Scared	HBO					MGM/UA
Santa Claus					MAX	Tri-Star
Sesame Street Presents Follow that Bird	HBO	(ST)				Warner Bros.
Seven Brides for Seven Brothers		(ST)		DIS		MGM/UA
Sharma and Beyond			TMC			Film Gallery
Shipwreck		ST				Warner Bros.
Silent One, The	HBO		(TMC)			Satori
Silverado	HBO				(MAX)	Columbia
Sleepawny Camp			TMC			UFD
Smithereens			*TMC			New Line
Special Kind of Love, The			TMC			Viacom
Stoogemania			TMC			Atlantic
Superman	HBO				(MAX)	Warner Bros.
Sure Thing, The		ST	(TMC)			Embassy
Swallows and Amazons Forever!				*DIS		Primetime Entertainment
Swallows and Amazons: The Big				DIS		Primetime Entertainment
Sylvester					MAX	Columbia
Tex				DIS	(MAX)	Disney
This Sporting Life			*TMC			New Century
Those Glory, Glory Days		(ST)		DIS		Film Gallery
Thunder in the City				DIS		Castle Hill
Thunderhead, Son of Flicka				*DIS	(MAX)	20th Century-Fox
Time After Time	HBO				(MAX)	Warner Bros.
Time Bandits	(HBO)	(ST)	(TMC)		MAX	Ganga Dist.
Topper Returns				DIS		Hal Roach Studios
Trip to Bountiful, The		ST				Embassy
Troll					*MAX	Vestron
Turtle Diary					MAX	Goldwyn
Untamed			TMC			Universal
Urban Cowboy		ST	TMC			Paramount
War Games			TMC			MGM/UA
Way Down Cellar				DIS		Disney
Weird Science	HBO		(TMC)		(MAX)	Universal
Wildcats	*HBO					Warner Bros.
Wings			TMC			Paramount
Woman of the River			*TMC			DEG
Yankee Doodle Dandy			(TMC)		*MAX	MGM/UA
Year of the Dragon		(ST)	TMC			TBS
Yellowbeard			TMC			Orion
Young Blood					MAX	MGM/UA
Young Lady Chatterly 2					MAX	Playboy
Young Visiters, The				DIS		Miramax
Zachariah			TMC			Viacom

Cable Network Legend:
HBO—Home Box Office
ST—Showtime
TMC—The Movie Channel
DIS—The Disney Channel
MAX—Cinemax

- Networks in parentheses indicate carriage in February, March, April, May and/or June.
- An asterisk indicates the film is a carry-over from February, March, April, May and/or June.
- In total, 207 films appear on the July schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 12 have played on four of the five services, 17 have played on three, and 61 have played on two of the five services. One hundred and seventeen titles on the July schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles on pay TV in July is Warner Bros. with 31, followed by MGM/UA with 19, Paramount with 17, 20th Century-Fox with 14 and Columbia with 11.
- Titles subject to change.

ACEs—

Continued from page 26

casting
Producer: Mark D'Agostino

Single Program—Children's Programming
Room 13-19, Syracuse NewChannels, Syracuse, N.Y., Newhouse Broadcasting
Producer: Abby Lazar

Cleveland's Kids & Company, Viacom Cablevision of Cleveland, Cleveland Heights, Ohio, Viacom Cable
Producer: Cathy Moats-Ols

Single Program—Drama/Dance
State of The Arts Presents: MOMIX, McCaw Cablevision of Syracuse, Syracuse, N.Y., McCaw Communications
Producer: Linda Herbert

Single Program—Special Audience
Protect, Defend and Love... Forever, Syracuse NewChannels, Syracuse, N.Y., Newhouse Broadcasting
Producer: Abby Lazar

Program Series—Informational
Neighborhood Update, City of Long Beach, Simmons Cable TV, Long Beach, Calif., Simmons Communications Inc.
Producers: Ted Woerner, Ed Leon

Edina Police Report, Rogers Cable TV of Minnesota, Eden Prairie, Minn., Rogers Cablesystems Inc.
Producer: Eric Felton

Program Series—Children's Programming
Music & Me, Springfield Cable TV Programming Endowment, Continental Cablevision of Springfield, Springfield, Mass., Continental Cablevision Inc.
Producers: Springfield Symphony Orchestra, WGBY-TV

Single Program—Comedy/Variety
Comic Competition, Viacom Cablevision, Nashville, Tenn., Viacom Cable
Producer: George Flanigen IV

Program Series—Special Audience
PrimeTimers, Rogers Cable TV of Portland, Portland, Ore., Rogers Cablesystems Inc.
Producer: Sid Brown

Promotional Programming—Cable Promotion: Single Spot
Nag, Nag, Nag, Daniels Cablesystems Inc., Carlsbad, Calif., Daniels & Associates Inc.
Producer: David Gotfredson

Promotional Programming—Public Service Announcements: Single Spot
Showdown at Graffiti Gulch, City of Santa Ana, Comcast Cablevision of Cental Orange Cluster, Santa Ana, Calif., Comcast Cable Communications Inc.
Producer: Dan Hubbard

Promotional Programming—Cable Promotion: Campaign
Austin CableVision Image Campaign, Austin CableVision, Austin, Texas, American TV & Communications Corp.
Producers: Philip Knudsen, Stan Sehested, Doak Davis

Promotional Programming—Public Service Announcements: Campaign
American Viewpoints, BerksCable, Reading, Pa., American TV & Communications Corp.
Producer: James Duffy

Cable services subscriber count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	278	5,400,000
Alternate View Network	206	2,500,000
Arts & Entertainment (A&E)	2,400	24,000,000
Black Entertainment Television (BET)	812	13,000,000
Cable News Network (CNN)	10,723	40,204,000
Cable Value Network	107	17,100,000
C-SPAN	2,600	27,500,000
C-SPAN II	400	9,000,000
CBN Cable Network	7,542	34,960,000
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	470	6,700,000
The Discovery Channel	1,700	16,300,000
ESPN	15,393	41,100,000
Eternal Word Television Network (EWTN)	361	6,600,000
Fianncial News Network (FNN)	1,450	24,000,000
FNN/Score	1,050	19,000,000
FNN/TelShop	750	10,500,000
GalaVision	288	750,000
Gospel Music Network	16	460,000
Headline News	3,170	26,220,000
Hit Video USA	41	1,700,000
Home Shopping Network	1,036	14,182,185
Home Shopping Network 2	229	5,524,000
International Television Network	46	5,000,000
The Learning Channel	820	7,600,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,050	29,000,000
Music Television (MTV)	4,709	33,400,000
The Nashville Network	4,765	31,000,000
National Jewish Television (NJTV)	295	6,800,000
Nickelodeon	5,005	31,700,000
The Nostalgia Channel	215	1,200,000
Ozark Mountain Network	N/A	N/A
PTL The Inspirational Network	1,300	13,300,000
QVC Network	531	8,853,000
Rock Christian Network	7	242,900
Silent Network	272	8,133,931
Sky Merchant	12	600,000
Tempo Television	665	12,500,000
The Travel Channel	120	6,000,000
Trinity Broadcasting Network	496	6,560,000
Univision	383	33,673,000
USA Network	8,500	39,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	60	23,000,000
The Weather Channel	2,560	26,000,000
WGN-TV	9,929	22,481,000
WOR-TV	2,125	9,186,214
WPIX-TV	331	2,471,000
WTBS-TV	11,819	41,078,000

Pay services

American Movie Classics	1,000	6,000,000
Bravo	300	400,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	600	600,000
Showtime	3,200	5,400,000

Audio services

Cable Radio Network	34	1,630,000
JazzAmerica	N/A	N/A
KKGO Super Jazz	12	119,571
Moody Bible Institute	59	868,516
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,273
Seeburg Lifestyle Adult Contemporary	25	536,227
Tempo Sound	300	1,000,000
WFMT Chicago	168	1,343,000

Text services

AP News Cable	185	2,500,000
AP Business Plus	54	1,400,000
AP Business Watch	20	500,000
AP News Plus	75	2,100,000
Cable SportsTracker	34	2,333,000
DBC/MarketWatch	240	5,000,000

Text services	Affiliates	Subscribers
Electronic Program Guide (EPG)	398	7,006,000
EPG Jr.	103	114,634
Genesis Cable Storytime	35	1,350,000
Reuters News View	127	2,437,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	170	6,500,000
Fuji Network	3	12,000
Nippon Golden Network	3	12,000
Telaction	N/A	N/A
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	156,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	38	1,404,000
The Ecumenical Channel	7	149,000
KTVT	198	1,891,000
Life Newsvision	35	150,000
Madison Square Garden	90	2,015,000
Meadows Racing Network	14	446,000
News 12 Long Island	7	500,000
Prime Cable	8	325,865
Prime Ticket	30	1,600,000
SportsVision (Chicago)	45	939,400

Pay services

Dodgervision	44	935,000
Giantsvision	38	1,000,000
Home Sports Entertainment—Houston/Dallas	119	216,000
Home Team Sports	100	600,000
New England Sports Network	159	181,482
PRISM-Philadelphia	86	379,004
Pro-Am Sports	120	115,000
SportsChannel (New England)	140	618,843
SportsChannel (New York)	80	800,000
Z Channel	21	84,700

Announced services

Satellite-fed services	Expected launch
Americana Network	2nd Quarter 1988
American Catalog Network	3rd Quarter 1987
Apollo Entertainment Television	TBA
Comedy Television	2nd Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
The Fashion Channel	8/87
International Cablecasting's Cable Radio Network	9/87
Movietime	7/87
The Preview Network	4th Quarter 1987
Television Catalog	1st Quarter 1988
Tunnelvision	10/87
Vacation Travel Network	4th Quarter 1987
World Travel Network	2nd Quarter 1987

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
N/A denotes not available.

JUNE 15, 1987

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INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

U.S. JUDGE QUESTIONS CABLE ACT RENEWAL PROCESS

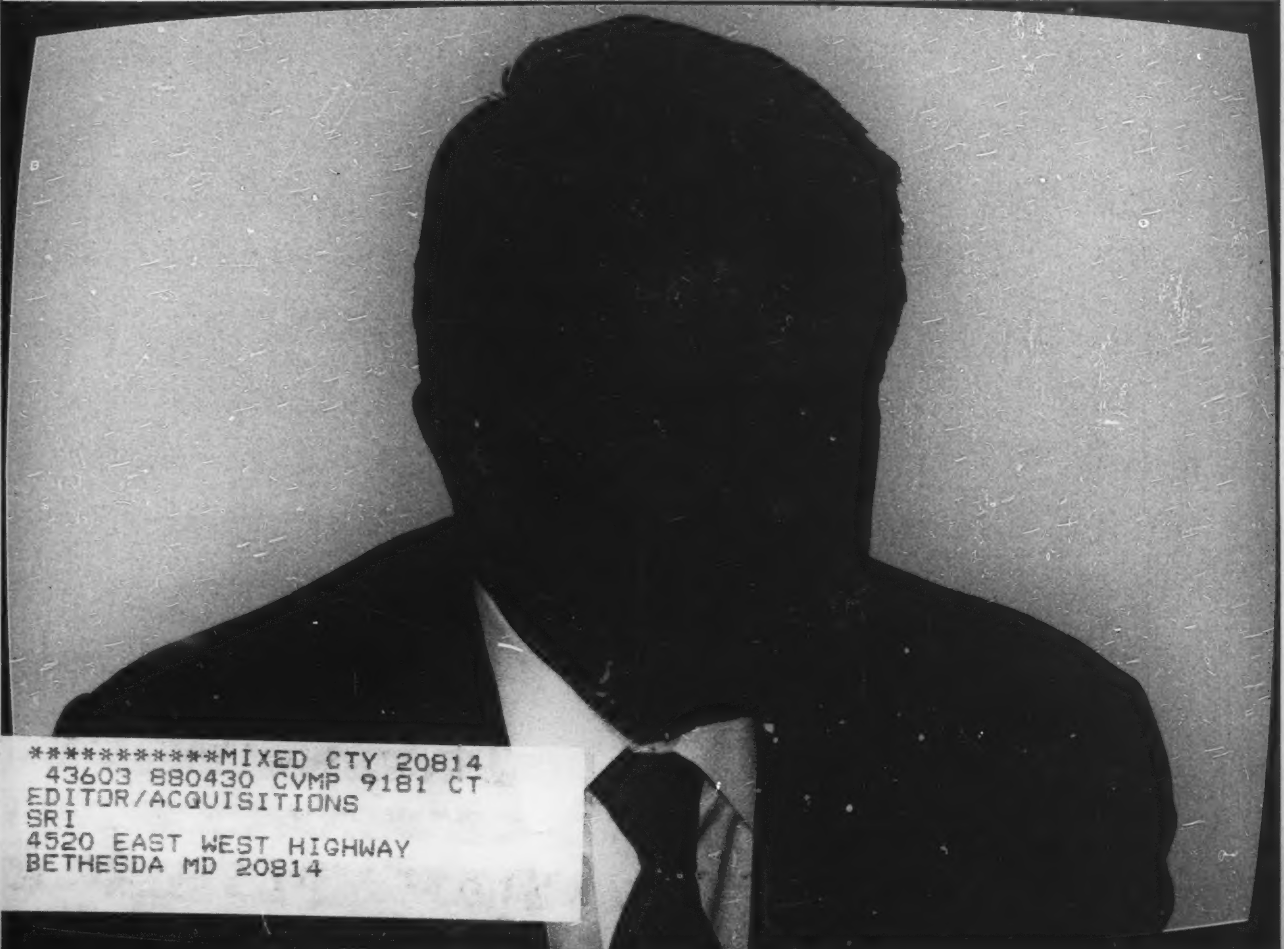
MSOS WEIGH RISKS OF FOLLOWING TCI GROWTH TRAIL

INDUSTRY MOVING TOWARD CHANNEL ALIGNMENT CONSENSUS

FLORIDA OPERATORS WIN NEW FRANCHISE PROTECTION

BILLING SOFTWARE SPECIAL: ISSUES AND PRODUCTS

ACHIEVING THE RIGHT IMAGE: ROBERTSON CHARTS CBN COURSE



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CableVision

FRONTLINE

Cable Act challenge 12
A federal judge in California has indicated he may hold the franchise renewal portions of the Cable Policy Act of 1984 unconstitutional.

TCI runaway 12
While other MSOs hesitate to let go of managerial control in exchange for gaining ownership of more subscribers, Tele-Communications Inc. is widening the gap between itself and the rest of the pack through deals like the $892-million Heritage Communications buyout.

Comcast signs with CVS 18
In a deal many see as a sign that the fence-sitting respecting pay-per-view is coming to an end, the once reluctant Comcast has become the first large-scale customer for Cable Video Store.

Departments

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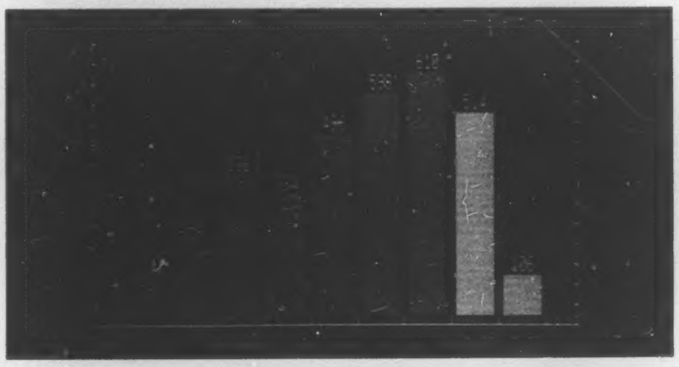
MARKETING

Consensus on channel lineups 44
As operators avail themselves of the freedoms under the Cable Act, they are experimenting with varying approaches to channel lineups with the result that more and more are moving to a strategy involving full use of VHF space and groupings by categories at higher channel levels.

LAW AND REGULATION

Florida coup 50
The Florida legislature has given operators a weapon to forestall attempts by overbuilders to cherry pick lucrative cable turf as well as to complicate enfranchisement of newcomers, even when they wish to wire entire communities. Legal challenges to the law are expected.

MANAGEMENT



Stretching billing software 54
Ever more demands are being made on billing vendors to supply operators with software that can work miracles on microcomputers. Vendors have responded with a host of new products (listed in an extensive product profile accompanying the feature), but operators are hoping for even more flexibility and speed.

BUSINESS

Adams-Russell transformed 64
A new corporate structure has freed Adams-Russell to become an aggressive player in system acquisitions. Its win in the bidding for the Rockford, Ill., system portends serious competition for other growth-oriented MSOs.

COVER STORY

CBN at 10 24
Going into its 11th year, CBN weighs the future in the context of founder Pat Robertson's presidential ambitions, funding fallout from the PTL scandal and big gains in ratings and ad support. Included is an exclusive interview with Robertson. Cover photo by Candace Drake.

Pay Per View Supply Chart

July

	Source
Cinderella (7/1) MPAA Rating: NR Running Time: 83 mins. Cast: Leslie Anne Warren, Stuart Damon.	The Samuel Goldwyn Co.
Crimes of the Heart (7/15) MPAA Rating: PG-13 Running Time: 105 mins. Cast: Sissy Spacek, Jessica Lange, Diane Keaton.	Lorimar
Dead of Winter (7/30) MPAA Rating: R Running Time: 100 mins. Cast: Mary Steenburgen, Roddy McDowall, Jan Rubes.	MGM/UA
The Golden Child (7/1) MPAA Rating: PG-13 Running Time: 94 mins. Cast: Eddie Murphy, Charlotte Lewis, Charles Dance.	Paramount
Heartbreak Ridge (7/15) MPAA Rating : R Running Time: 130 mins. Cast: Clint Eastwood, Marsha Mason, Everett McGill.	Warner Bros.
Miss Mary (7/22) MPAA Rating: R Running Time: 99 mins. Cast: Julie Christi, Luisina Brando.	HBO Enterprises
The Mosquito Coast (7/29) MPAA Rating: PG Running Time: 118 mins. Cast: Harrison Ford, Helen Mirren, River Phoenix, Conrad Roberts.	Warner Bros.
Munchies (7/30) MPAA Rating: PG Running Time: 83 mins. Cast: Harvey Korman, Charles Stratton, Nadine Van Der Velde.	MGM/Concorde
Night Mother (7/1) MPAA Rating: PG-13 Running Time: 96 mins. Cast: Sissy Spacek, Anne Bancroft.	Universal
No Mercy (7/22) MPAA Rating: R Running Time: 106 mins. Cast: Richard Gere, Kim Basinger.	Tri-Star
Omega Syndrome (7/22) MPAA Rating: R Running Time: 90 mins. Cast: Ken Wahl, Doug McClure, George DiCenzo.	HBO Enterprises
Return to Horror High (7/22) MPAA Rating: R Running Time: 95 mins. Cast: Vince Edwards, Alex Rocco, Scott Jacoby.	HBO Enterprises
Strip to Kill (7/9) MPAA Rating: R Running Time: 86 mins. Cast: Kay Lenz, Greg Evigan.	MGM/Concorde

August

	Source
Black Widow (8/20) MPAA Rating: R Running Time: 100 mins. Cast: Debra Winger, Theresa Russell.	20th Century-Fox
Brighton Beach Memoirs (8/1) MPAA Rating: PG Running Time: 110 mins. Cast: Johnathan Silverman, Blythe Danner, Bob Dishy.	Universal
The Color Purple (8/26) MPAA Rating: PG-13 Running Time: 156 mins. Cast: Whoopie Goldberg, Danny Glover, Oprah Winfrey.	Warner Bros.
Critical Condition (8/1) MPAA Rating: R Running Time: 100 mins. Cast: Richard Pryor, Rachel Tichotin, Ruben Blades.	Paramount
King Kong Lives (8/19) MPAA Rating: PG-13 Running Time: 105 mins. Cast: Brian Kerwin, Linda Hamilton, John Ashton.	Lorimar.
Knights and Emeralds (8/12) MPAA Rating: PG Running Time: 91 mins. Cast: Christopher Wild, Beverly Hills, Warren Mitchell.	Warner Bros.
Little Shop of Horrors (8/12) MPAA Rating: PG-13 Running Time: 94 mins. Cast: Rick Moranis, Ellen Greene, Vincent Gardenia.	Warner Bros.
Playing For Keeps (8/1) MPAA Rating: PG Running Time: 103 mins. Cast: Daniel Jordano, Matthew Penn, Leon Grant.	Universal
'Round Midnight (8/12) MPAA Rating: R Running Time: 131 mins. Cast: Dexter Gordon, Herbie Hancock, Francois Cluzet.	Warner Bros.
Three Amigos (8/5) MPAA Rating: PG Running Time: 103 mins. Cast: Steve Martin, Chevy Chase, Martin Short.	Orion

Note: Running times are approximate.
Film information provided by distributors.

Pay Per View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	All movies, 24 hours per day 50-60 titles per month	Field trial basis; currently serving 10 MSOs nationwide. (2,500 Impulse addressable subscribers).
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title, plus up to two licensed films edited for Playboy.	Available in systems serving 185,000 subs (139,000 addressable).
Request Television	November 27, 1985	Galaxy 1, tr. 12	VideoCipher II	Min. of four major motion pictures per week over 14 day cycle, special events	Available in systems serving 3 million subs. (2 million addressable).
Telstar Channels	June 5, 1986	Interrum Standalone, testing on Telstar 303	Testing G.I. Starloc IV	Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events.	Available in systems serving 74,000 subs (11,500 addressable).
Viewer's Choice	November 26, 1985	VC-1 Satcom 3R, tr. 5, VC-2 Galaxy 1, tr. 16	VideoCipher II	One major motion picture per week, special events	Available in systems serving 2.6 million subs. (1.6 million addressable).

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69.600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	12
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
rytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
The Travel Channel	16
Trinity Broadcasting Network	3
TV Decisions	24
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
The Motivation Network	3
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	13
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
National Shopping Club	23
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner. Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	4,200,000	(4/87)
2.	American Television and Communications Corp.	2,888,957	(3/87)
3.	Continental Cablevision	1,456,000	(4/87)
4.	Storer Cable Communications	1,394,000	(2/87)
5.	Cox Cable Communications	1,371,731	(3/87)
6.	Warner Cable Communications Inc.	1,323,827	(3/87)
7.	Comcast	1,234,536	(2/87)
8.	United Cable	1,086,457	(4/87)
9.	Newhouse Broadcasting	1,024,948	(3/87)
10.	Heritage Communications Inc.	1,000,856	(3/87)
11.	Viacom Cablevision	968,000	(1/87)
12.	Jones Intercable	924,624	(5/87)
13.	Times Mirror Cable Television Inc.	847,009	(1/87)
14.	Sammons Communications Inc.	829,610	(4/87)
15.	UA Cablesystems Corp.	753,363	(12/86)
16.	Cablevision Systems Corp.	687,000	(12/86)
17.	Century Communications Corp.	600,000	(12/86)
18.	Paragon Cable	571,663	(3/87)
19.	Rogers Cablesystems Inc.	535,207	(2/87)
20.	Daniels & Associates	528,026	(3/87)
21.	Telecable Corp.	497,145	(3/87)
22.	Centel Cable	493,765	(4/87)
23.	Cable Vision Industries	457,077	(12/86)
24.	American Cablesystems Corp.	449,793	(4/87)
25.	Cooke Cablevision	435,000	(2/87)
26.	Adelphia Communications	434,473	(4/87)
27.	Scripps-Howard	390,000	(3/87)
28.	Falcon Cable	379,000	(2/87)
29.	Post-Newsweek	372,344	(4/87)
30.	Wometco Cable TV Inc.	336,820	(1/87)
31.	TCA Group	328,071	(4/87)
32.	Prime Cable Corp.	325,865	(3/87)
33.	Multimedia Cablevision	294,804	(3/87)
34.	Tele-Media	285,300	(3/87)
35.	Colony Communications Inc.	259,229	(4/87)
36.	Maclean Hunter Cable TV Ltd.	250,215	(2/87)
37.	Rifkin & Associates	250,000	(4/87)
38.	Western Communications	238,215	(4/87)
39.	Lenfest Group	236,262	(2/87)
40.	Communications Service Inc.	210,000	(12/86)
41.	Service Electric Cable TV Inc.	195,000	(3/87)
42.	TKR Cable Co.	190,417	(4/87)
43.	TCI-Taft	181,318	(1/87)
44.	Cencom Cable	173,042	(5/87)
45.	Hauser Communications Inc.	165,000	(12/86)
46.	Adams-Russell Communications	159,306	(3/87)
47.	Harte-Hanks Communications	153,119	(4/87)
48.	Harron Communications	151,902	(3/87)
49.	Greater Media	146,951	(4/87)
50.	Media General Inc.	146,028	(4/87)
51.	Sutton Capital Corp.	141,379	(3/87)
52.	Palmer Communications	141,263	(2/87)
53.	Marcus Communications	141,052	(3/87)
54.	Armstrong Utilities	138,651	(3/87)
55.	Televents Inc.	129,801	(2/87)
56.	Blade Communications	128,378	(4/87)
57.	Summit Communications	118,134	(4/87)
58.	The Essex Group	116,346	(3/87)
59.	First Carolina Communications Inc.	114,104	(1/87)
60.	U.S. Cable Corp.	111,190	(2/87)
61.	Simmons Communications	110,892	(4/87)
62.	Sonic Communications	110,000	(3/87)
63.	Multi-Channel TV Cable Inc.	109,822	(2/87)
64.	Columbia International	107,078	(3/87)
65.	Bresnan Communications Co.	104,136	(4/87)
66.	Northland Communications	103,550	(1/87)
67.	King Videocable	102,000	(3/87)
68.	Scott Cable Communications	98,886	(4/87)
69.	M.L. Media Partners	98,165	(4/87)
70.	Booth Communications	95,197	(4/87)
71.	Susquehanna Broadcasting	90,923	(3/87)
72.	McDonald Group	90,079	(8/84)
73.	Midcontinent Cable Systems Co.	88,104	(3/87)
74.	James Communications	87,533	(2/87)
75.	WEHCO Video	87,448	(3/87)
76.	United Video Management	80,171	(2/87)
77.	Pencor Services	79,028	(3/87)
78.	Omega Communications	77,626	(1/87)
79.	Selkirk Communications	68,000	(2/87)
80.	C4 Media Corp.	64,719	(3/87)
81.	Wisconsin Cablevision and Radio Co.	63,425	(3/87)
82.	Acton Corp.	60,035	(1/87)
83.	Mountain Cable Co.	58,626	(6/87)
84.	Masada Corp.	58,293	(4/87)
85.	Galaxy Cablevision	56,462	(3/87)
86.	Chambers Communications Corp.	53,809	(3/87)
87.	Cardinal Communications	53,200	(2/87)
88.	Enstar Communications	53,024	(4/87)
89.	North American Comm. Corp.	50,616	(3/87)
90.	Tidel Communications	50,427	(4/87)
91.	Insight Communications	50,000	(2/87)
92.	Hearst Communications of California	49,447	(4/87)
93.	State Cable TV	48,861	(2/87)
94.	Helicon Corp.	48,000	(11/86)
95.	Joseph Gans Cable TV	46,532	(11/86)
96.	Commonwealth Cable Systems	45,900	(5/87)
97.	Dowden Cable	45,760	(4/87)
98.	Donrey Cablevision	44,112	(4/87)
99.	New England Cablevision	43,199	(2/87)
100.	CableAmerica	43,082	(1/87)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	279,179	(3/87)
2.	Woodbury (Long Island), NY	Cablevision Systems Corp.	277,462	(1/87)
3.	San Antonio, TX	Rogers	220,510	(3/87)
4.	Manhattan, NY	ATC	229,907	(3/87)
5.	East Orange, NJ	Maclean Hunter	189,917	(3/87)
6.	Houston, TX	Warner	186,788	(3/87)
7.	Honolulu, HI	ATC	180,882	(3/87)
8.	Puget Sound, WA	Viacom	175,000	(1/87)
9.	Phoenix, AZ	Times Mirror	157,615	(1/87)
10.	Cincinnati, OH	Warner	155,705	(3/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	154,930	(2/87)
12.	Englewood, CO	United Cable	154,165	(4/87)
13.	Wayne, NJ	UA Cablesystems	152,460	(2/87)
14.	Rochester, NY	ATC	145,538	(3/87)
15.	Tulsa, OK	United Cable	145,350	(4/87)
16.	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
17.	Hampton Roads, VA	Cox Cable	142,605	(3/87)
18.	Cherry Hills, NJ	NYT	140,105	(1/87)
19.	Fairfax, VA	Media General	139,000	(5/87)
20.	Atlanta, GA	Prime Cable Corp.	137,196	(3/87)
21.	Hartford/Plainville, CT	United Cable	136,479	(2/87)
22.	Jacksonville, FL	Continental	131,000	(1/87)
23.	Kansas City, MO	ATC	129,788	(3/87)
24.	Buffalo, NY	Adelphia Communications	128,105	(4/87)
25.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
26.	Erie County, NY	Adelphia	127,160	(3/87)
27.	Memphis/W. Memphis, TN	ATC	125,715	(3/87)
28.	Seattle, WA	Tele-Communications Inc.	125,000	(12/86)
29.	Manhattan, NY	Paragon Cable	123,000	(3/87)
30.	Baltimore County, MD	Comcast	122,730	(9/86)
31.	San Jose, CA	Gill Industries	119,100	(2/87)
32.	Charlotte, NC	ATC	118,791	(3/87)
33.	Long Island, NY	Viacom	112,000	(1/87)
34.	Austin, TX	ATC	111,537	(3/87)
35.	San Diego, CA	ATC	111,522	(3/87)
36.	San Francisco, CA	Viacom	106,500	(1/87)
37.	Toledo, OH	Blade Communications	105,386	(4/87)
38.	Pompano, FL	American Cablesystems	105,143	(4/87)
39.	San Juan, PR	ML Media Partners	104,823	(11/86)
40.	Warren, NJ	TKR	101,406	(2/87)
41.	Dallas, TX	Heritage	100,056	(3/87)
42.	Jefferson Parrish/Kenner, LA	Cox Cable	97,718	(3/87)
43.	Southeast Michigan	Comcast	96,454	(9/86)
44.	Pinellas County, FL	Vision Cable	94,996	(4/87)
45.	Wilmington, DE	Heritage	92,852	(3/87)
46.	Grand Rapids, MI	UA Cablesystems	92,503	(2/87)
47.	Dade/Broward, FL	Storer	91,000	(2/87)
48.	Raleigh/Durham, N.C.	ATC	88,198	(3/87)
49.	Escondido, CA	Times Mirror	87,586	(1/87)
50.	Richmond, VA	Continental	86,866	(3/87)
51.	Wichita, KS	Multimedia Cablevision	85,324	(3/87)
52.	Pittsburgh, PA	Tele-Communications Inc.	85,000	(12/86)
53.	Jackson/Monroe, MS	ATC	82,500	(12/85)
54.	Oakland County, MI	United Cable	82,304	(4/87)
55.	South Texas, TX	Heritage	82,013	(3/87)
56.	Indianapolis, IN	Comcast	80,969	(5/88)
57.	Tacoma, WA	Viacom	80,500	(2/87)
58.	Harrisburg, PA	Sammons Communications	79,728	(4/87)
59.	Boston, MA	Cablevision	79,100	(12/86)
60.	Dover, Morristown, NJ	Sammons	78,797	(2/87)
61.	Flint, MI	Comcast Cable	78,349	(9/86)
62.	Baton Rouge, LA	Daniels & Assocs.	77,894	(3/87)
63.	Milwaukee, WI	Warner	77,270	(3/87)
64.	Las Vegas, NV	Prime	75,665	(3/87)
65.	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
66.	New Orleans, LA	Cox Cable	74,614	(3/87)
67.	Greensboro, NC	ATC	74,100	(12/85)
68.	South Bend, IN	Heritage	74,030	(3/87)
69.	Santa Monica, CA	Century	74,000	(5/86)
70.	Nashville, TN	Viacom	74,000	(1/87)
71.	Allentown, PA	Service Elec.	74,000	(3/87)
72.	Orange County, CA	Times Mirror	72,863	(1/87)
73.	Akron, OH	Warner	72,467	(3/87)
74.	Cleveland Heights, OH	Viacom	71,600	(1/87)
75.	Columbus, OH	Warner	71,097	(3/87)
76.	Fayetteville, NC	ATC	70,136	(3/87)
77.	Omaha, NE	Cox Cable	69,846	(3/87)
78.	Contra Costa Co. CA	Televents	69,474	(4/87)
79.	Medford Complex (Boston Suburbs), MA	Warner	69,235	(3/87)
80.	Ocean County, NJ	Adelphia	68,851	(4/87)
81.	Little Rock, AR	Storer	68,393	(2/87)
82.	Des Moines, IA	Heritage	67,205	(3/87)
83.	Indianapolis,IN	ATC	66,674	(3/87)
84.	Birmingham, AL	ATC	66,254	(3/87)
85.	New Haven, CT	Storer	65,595	(2/87)
86.	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
87.	Syracuse (suburbs), NY	NewChannels Corp.	64,847	(3/87)
88.	St. Petersburg, FL	Paragon Cable	64,478	(5/86)
89.	Oklahoma City, OK	Cox Cable	64,444	(3/87)
90.	Cook County, IL	Continental	64,272	(3/87)
91.	Winston-Salem, N.C.	Summit	64,072	(4/87)
92.	Albuquerque, NM	Jones Intercable	64,000	(4/87)
93.	Monterey, CA	Western Communications	63,815	(4/87)
94.	Greater Bridgeport, CT	Cablevision Co.	63,780	(12/86)
95.	Sarasota, FL	Storer	63,207	(2/87)
96.	Lower Fairfield Co., CT	Cablevision Co.	63,028	(12/86)
97.	Madison, WI	Tele-Communications Inc.	63,000	(12/86)
98.	Santa Barbara, CA	Cox Cable	62,763	(3/87)
99.	El Paso, TX	Group W (ATC)	62,000	(9/86)
100.	Lincoln, RI	Heritage	61,615	(3/87)

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JULY 6, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

DISH MARKET: EVERYTHING SCRAMBLED BUT PROGRAMMING

TIME, VIACOM MOVES PORTEND MAJOR NETWORK SHIFTS

CABLE VIEWING SOARS DURING SWEEPS MONTH

THE NEW PPV QUESTION: HOW VAST A BUSINESS IS IT?

MEDIA-TARGETED FUNDS FUELING CABLE

POLITICS ON THE HOME FRONT: WHAT IS CONGRESS HEARING?

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CableVision

FRONTLINE

Dish market blues 12
Delays in scrambling are among many factors resulting in a sluggish backyard dish market that is far off the pace anticipated for this summer. Viable third-party packaging has yet to emerge, amid charges that cable interests are standing in the way.

Must-carry bill in hopper 12
A bill aimed at eliminating the Federal Communications Commission's must-carry sunset provision has been filed in the House with prospects for speedy attention.

Warner's Ross flexes muscles 16
Warner Communications' annual shareholders meeting proved to be a revealing forum in chairman Steve Ross' efforts to demonstrate that detractors on the board have been wrong about his competence to lead the company.

Adams-Russell in spotlight 20
Continental may not be the only MSO who puts in a bid to buy out Adams-Russell.

Cable viewing gains 20
Amid the all-out programming push of broadcast networks during the May ratings sweeps, cable basic networks continued to mark major inroads in viewership.

USA gains program clout 22
The departure of Time Inc. from the three-way partnership governing USA Network paves the way for an infusion of programming funds from the remaining partners, Paramount and MCA.

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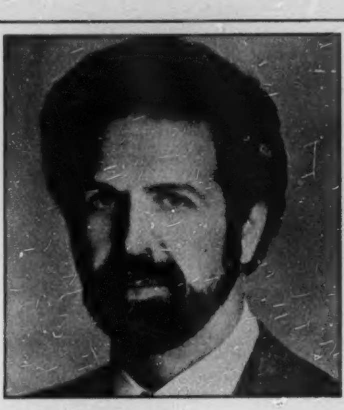
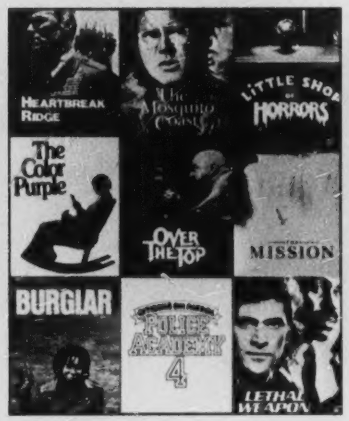
PROGRAMMING

Showtime equity talks heat up 22
Paramount and MCA are in the lead among parties interested in becoming equity partners with Showtime, but deal eventually could include several studios as well as cable operators.



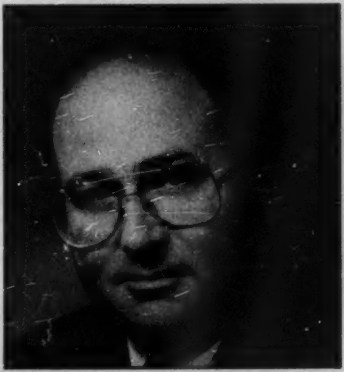


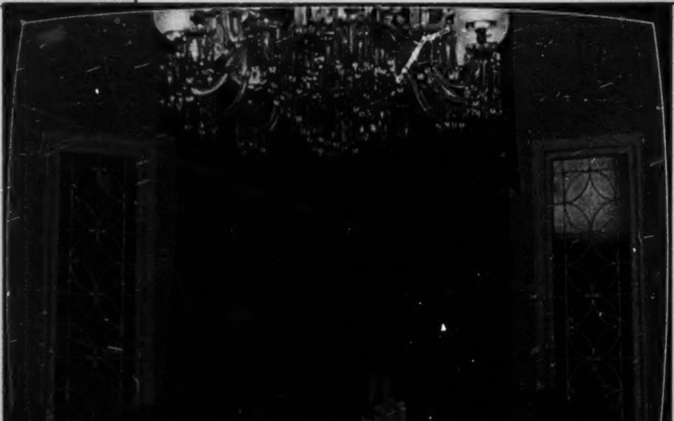
ON DEMAND PROGRAMMING

New era dawning in pay-per-view 30
A comprehensive overview of developments in pay-per-view points to explosive expansion of the service category, with many major MSOs committing large sums to equity positions in programming ventures and to the equipment necessary to build the PPV base into millions of additional households in the coming year. The possibility of earlier windows for movies shown in PPV is an important part of the developing story.

BUSINESS

Media investment funds a new trend 44
The cable industry stands to benefit from the creation of major investment funds dedicated solely to media opportunities. But fund managers indicate they will be extremely cautious in selecting cable investments in light of the high prices now being paid for cable systems.





COVER STORY

Cable's political standing 40
With hearings on the performance of cable under deregulation scheduled by the House this fall, a key to how the industry will be received on Capitol Hill is the status of cable's relations with authorities at the local level. This wide-ranging survey looks at how well deregulation is playing on the home front.

Film product comparison-August

Film	Pay Networks					Distributor
1984			TMC			Atlantic
48 Hours					*MAX	Paramount
9½			*TMC			Turner
View to a Kill, A	HBO				(MAX)	MGM/UA
Absolute Beginners	HBO				(MAX)	Orion
Adventures of a Taxi Driver			*TMC			Miramax
American Flyers	HBO	(ST)	(TMC)		(MAX)	Warner Bros.
American in Paris, An		ST	(TMC)		(MAX)	MGM/UA
And the Children Shall Lead				DIS		Wonderworks
Ape and Super Ape		ST				Coe Film
April Fool's Day		(ST)	TMC			Paramount
April in Paris		(ST)	TMC		(MAX)	Warner Bros.
Archer				DIS		New World
Arthur		*ST	(TMC)			Warner Bros.
Ashanti					MAX	Warner Bros.
Assault on Precinct 13	HBO		(TMC)		(MAX)	Goldwyn
Assisi Underground, The		*ST	(TMC)			Cannon
Asterix and Cleopatra				*DIS		Gaumont
At Close Range	HBO				(MAX)	Hemdale
Atlantic City			*TMC			Paramount
Atta Girl, Kelly				*DIS		Disney
Aurora Encounter, The	HBO					New World
Baby...Secret of the Lost Legend	(HBO)	(ST)	*TMC	DIS		Disney
Bad Medicine	(HBO)		(TMC)		MAX	20th Century-Fox
Band of the Hand	(HBO)				MAX	Tri-Star
Beginner's Luck	HBO					New World
Bells are Ringing		ST		(DIS)	(MAX)	MGM/UA
Best Revenge	HBO	(ST)	TMC			Lorimar
Big Bounce, The			(TMC)		MAX	Warner Bros.
Bill Cosby "Himself"		(ST)	TMC		(MAX)	20th Century-Fox
Billion for Boris, A				*DIS		Film Gallery
Blind Date			(TMC)		MAX	Wescom
Boy in Blue, The			TMC			20th Century-Fox
Boy Who Could Fly, The				*DIS		Lorimar
Brass Ring, The	HBO					Film Gallery
Breaking All the Rules	(HBO)				MAX	New World
Breaking Away		ST	TMC		MAX	20th Century-Fox
Breathless	HBO				(MAX)	Orion
Breed Apart, A	HBO				(MAX)	Hemdale
Bride, The	HBO				(MAX)	Columbia
Bridge to Teribethia				DIS		Wonderworks
Brothers by Choice				*DIS		Atlantis
Tell Me Mister				DIS		20th Century-Fox
Can You Hear the Laughter? Freddie Prinz			TMC			Viacom
Can You Keep It Up for a Week		ST	(TMC)			Miramax
Can't Stop the Music	(HBO)				MAX	AFD
Casino Royale					MAX	Columbia
Cease Fire	HBO		(TMC)			Southbrook
Check is in the Mail, The	HBO					ITC Entertainment
Cheech & Chong's Nice Dreams					MAX	Columbia
Chosen, The					MAX	20th Century-Fox
Christian the Lion				*DIS		Art Greenfield
Clan of the Cave Bear, The	HBO				(MAX)	Warner Bros.
Cleopatra Jones					MAX	Warner Bros.
Cleopatra Jones and the Casino of Gold					MAX	Warner Bros.
Club Paradise	HBO					Warner Bros.
Cocaine Wars					MAX	Concorde Pictures
Cocoon	(TMC)	(ST)	*TMC		(MAX)	20th Century-Fox
Cold River	*HBO					Pacific
Commando	(HBO)	ST	(TMC)		(MAX)	20th Century-Fox
Coney Island					MAX	20th Century-Fox
Confessions of a Window Cleaner					MAX	Columbia
Corpse Came C.O.D., The					MAX	Columbia
Cover Girl					MAX	Columbia
Critters	HBO				(MAX)	New Line
Cross Creek	*HBO			(DIS)		Thorne-EMI
Crossroads	HBO				(MAX)	Columbia
Dallas		(ST)	TMC		(MAX)	Warner Bros.
Dancing in the Dark				DIS		20th Century-Fox
Dangerously Close		(ST)	TMC			Cannon
Danny				DIS		Castle Hill
Death Wish III		(ST)	TMC			Cannon
Deathtrap			TMC			Warner Bros.
Detective School Dropouts		ST				Cannon
Dot and Keeio				*DIS		Cori Films
Double Man, The					MAX	Warner Bros.
Down and Out in Beverly Hills		(ST)	*TMC			Touchstone
Dragonslayer	(HBO)	(ST)		*DIS		Paramount
Dream Lover			TMC		*MAX	MGM/UA
Duchess of Idaho			(TMC)	DIS		MGM/UA
East of Eden		(ST)	*TMC		(MAX)	Warner Bros.
Easy Money					MAX	Orion
Echo Park		(ST)	TMC			Atlantic
Electric Dreams			(TMC)		*MAX	MGM/UA
Elephant Man, The	(HBO)		(TMC)		MAX	Paramount
Eliminators			TMC			DEG
Ellie	*HBO		(TMC)			Troma
Elopement				*DIS		20th Century-Fox
Emmanuelle 4		*ST			(MAX)	MGM/UA
End of the World Man				DIS		Miramax
Escape in Florence				DIS		Disney
Escape to Witch Mountain				*DIS		Disney
Explorers		ST	(TMC)			Paramount
Fantistic Adventures of Unico				*DIS		Sanrio
Festival of Folk Heros				DIS		Disney
Final Justice	*HBO					Simcom
Finnegan Begin Again	HBO					Consolidated
Flash of Green, A	HBO					International
Fletch	(HBO)	ST	*TMC		(MAX)	Universal
Flight of the Navigator				DIS		Disney
Florida Straights	HBO					Independent
Fourth Wish, The				*DIS		Pacific Int'l
Friday the 13th Part 4: Jason Lives		ST				Paramount
Gauntlet, The		ST			MAX	Warner Bros.
Getting Even	HBO					Pray/Dall
Gilda					MAX	Columbia
Girls School Screamer			TMC			Troma
Glass Bottom Boat		(ST)		DIS	(MAX)	MGM/UA
Glitter Dome, The	HBO					Telepictures
Gnomes' Great Adventure, The	HBO					Miramax
Gods Must Be Crazy, The	HBO	(ST)	(TMC)			20th Century-Fox
Gold of Naples, The			TMC			DEG
Great American Cowboy				*DIS		Disney
Gremlins		(ST)	TMC		(MAX)	Warner Bros.
Gung Ho		*ST				Paramount
H.O.T.S.		ST				Blum Group
Half a Sixpence				*DIS		Paramount
Hanky Panky	HBO					Columbia
Happy Hooker Goes to Washington		(ST)	TMC			Cannon
Happy Land					MAX	20th Century-Fox
Hardbodies	HBO					Columbia
Hardbodies 2	HBO					Columbia
Haunted Honeymoon	(HBO)	*ST				Orion
Heartburn		*ST	*TMC			Paramount
Heathcliff: The Movie				*DIS		Clubhouse
Hollywood Vice Squad					MAX	Cinema Group
Horsemasters, The				DIS		Disney
Hot Millions		ST		DIS	MAX	MGM/UA
How to be a Perfect Person in Just Three Days				*DIS		Wonderworks
I Confess		ST				Warner Bros.
Icemaker, The	(HBO)				MAX	Castle Hill
Invasion U.S.A.		(ST)	TMC			Cannon
Iron Eagle					*MAX	Tri-Star
Jean Shepard's Phantom of the Opera				DIS		WGBH-Boston
Jim Thorpe-All American		(ST)	TMC			Warner Bros.
Joey	HBO		(TMC)		(MAX)	Satori
Johnny Tremain				DIS		Disney
Julia		ST	(TMC)		(MAX)	20th Century-Fox
Just Between Friends	(HBO)	(ST)	TMC			Orion
Kim		(ST)	TMC		(MAX)	MGM/UA
Klute		ST	(TMC)		*MAX	Warner Bros.
Lady From Shanghai, The					MAX	Columbia
Last Innocent Man, The	*HBO					Singer
Leadfoot	HBO					Orbis
Legend	(HBO)	(ST)			MAX	Universal
Life at the Top					MAX	Columbia
Life of the Party: the Story of Beatrice	HBO					Columbia

Film	Pay Networks					Distributor
Lilac Dream					MAX	Astral Productions
Little Shepard of Kingdom Come, The				DIS		20th Century-Fox
Long Dark Night, The					MAX	Warner Bros.
Longshot, The	HBO	ST	(TMC)		(MAX)	Orion
Looker	HBO					Warner Bros.
Loose Screws		(ST)			MAX	Concorde Pictures
Lost in America	(HBO)		*TMC			Warner Bros.
Lots of Luck				DIS		Disney
Love & Larceny					MAX	CBC
Love Circles Around the World					MAX	Playboy
Lucas	(HBO)	(ST)	TMC			20th Century-Fox
Madwoman of Chaillot, The			*TMC			Warner Bros.
Making Contact					MAX	New World
Man in the White Suit, The			TMC			New Century
Man with One Red Shoe, The		(ST)	(TMC)		*MAX	20th Century-Fox
Manhunter		ST				DEG
Manny's Orphans		(ST)	TMC			Castle Hill
Maryland				DIS		20th Century-Fox
Meet Me After the Show				*DIS		20th Century-Fox
Megaforce	(HBO)				MAX	Galaxy Films
Misadventures of Merlin Jones, The				DIS		Disney
Misunderstood			TMC		MAX	MGM/UA
Money Pit, The	(HBO)	(ST)	(TMC)		*MAX	Universal
Moon over Miami					MAX	20th Century-Fox
Movers & Shakers					MAX	MGM/UA
Mr. Rossi's Vacation				*DIS		Italtoons
Mrs. Barrington		ST				Film Gallery
Murphy's Law		(ST)	*TMC			Cannon
Music in My Heart					MAX	Columbia
My American Cousin		ST			(MAX)	Independent Production Releasing
My Fair Lady				*DIS		CBS
My Science Project	(HBO)	(ST)	TMC			Disney
Mystery at Fire Island	HBO					Scholastic
Night the Lights Went Out in Georgia, The					MAX	Viacom
Nine Deaths of the Ninja		(ST)	TMC			Crown Int'l
Nobody's Fool		ST				Lorimar
Nomads		(ST)	TMC			Atlantic
Nothing in Common	HBO				MAX	Tri-Star
O'Hara's Wife					MAX	O'Hara Productions
O'Henry's Full House			(TMC)	DIS		20th Century-Fox
Off Beat		(ST)	TMC			Touchstone
Oklahoma City Dolls, The	HBO					Columbia
Once Bitten			TMC		*MAX	Goldwyn
One Crazy Summer					MAX	Warner Bros.
One Night Only		*ST				Film Gallery
Operation Pacific		ST	(TMC)			Warner Bros.
Opposing Force					MAX	Orion
Other Woman, The	HBO					Televenture
Over the Edge					MAX	Warner Bros.
Over the Moon				DIS		Goldwyn
Parting Glances					MAX	Cinecom
Pee Wee's Big Adventure	HBO	(ST)	(TMC)		(MAX)	Warner Bros.
Peep Show		ST				Film Gallery
Perfect Timing			(TMC)		MAX	Playboy
Perri				DIS		Disney
Piano for Mrs. Cimino, A		ST				Viacom
Pin-up Girl					MAX	20th Century-Fox
Pirates of Tortuga, The				DIS		20th Century-Fox
Police Academy 3	(HBO)				*MAX	Warner Bros.
Polly of the Circus		ST				MGM/UA
Poltergeist 2	(HBO)				*MAX	MGM/UA
Porky's Revenge	(HBO)	(ST)			*MAX	20th Century-Fox
Prisoner of Shark Island				DIS		20th Century-Fox
Prizzi's Honor		ST	*TMC		(MAX)	Universal
Psycho III	HBO	ST	TMC			Universal
Purple Hearts			TMC		(MAX)	Warner Bros.
Puss in Boots				DIS		Universal
Quinn's, The		ST				J. Phillips
Rabbit Run			TMC			Warner Bros.
Rage			TMC			Warner Bros.
Rainbow			TMC			Viacom
Rambo First Blood Part II	(HBO)				*MAX	Tri-Star
Ran					MAX	Orion
Real Genius	HBO				(MAX)	Tri-Star
Red Dawn	HBO		TMC			MGM/UA
Reds	(HBO)		TMC			Paramount
Rodgers and Hammerstein's Cinderella				*DIS		Goldwyn
Rollover					MAX	Warner Bros.
Ruthless People		ST	TMC			Touchstone
Sandpiper, The		ST	(TMC)		(MAX)	MGM/UA
Saving Grace	HBO					Columbia
Say "Yes"	(HBO)				MAX	Cinetel
Scarecrow		ST	(TMC)		(MAX)	Warner Bros.
Scream for Help	*HBO		*TMC			Lorimar
Seance on a Wet Afternoon			TMC			New Century
Secret Diary of Sigmund Freud, The					MAX	20th Century-Fox
Servant, The			TMC			New Century
Seven Brides for Seven Brothers		(ST)	TMC	*DIS	(MAX)	MGM/UA
Seven Minutes in Heaven	(HBO)				MAX	Warner Bros.
Sherlock Holmes and the Mask of Death		ST				Lorimar
Sidekick			TMC			Warner Bros.
Sincerely, Violet					MAX	Astral Film
Spaceman in King Arthur's Court				DIS		Disney
Stage Fright		ST			(MAX)	Warner Bros.
Starchaser: The Legend of Orin		ST				Atlantic
State Fair					MAX	20th Century-Fox
Sterile Cuckoo, The					*MAX	Paramount
Stop, You're Killing Me			TMC			Warner Bros.
Stowaway in the Sky		ST				Janus Film
Stripper					*MAX	20th Century-Fox
Stuff, The	HBO					New World
Submission		ST				U.S. Media
Summer Switch	HBO					LCA
Sunset Strip	HBO					Goldwyn
Swallows and Amazons: The Big Six				*DIS		Primetime Entertainment
Sweet Dreams	HBO				(MAX)	Silver Screen
Sword of Gideon	HBO					I.C.C.
Target	HBO				(MAX)	Warner Bros.
Tender Age, The					MAX	Skouras Pictures
Tex				*DIS	(MAX)	Disney
That Was Then... This Is Now		ST	(TMC)			Paramount
These Thousand Hills				*DIS		20th Century-Fox
This Is Elvis					MAX	Warner Bros.
Those Glory, Glory Days		(ST)	(TMC)	*DIS		Film Gallery
Three Girls About Town						Columbia
Threesome					MAX	Televentures
Topper Returns				*DIS		Hal Roach
Touch and Go					MAX	Kings Road Ent.
Track of the Cat		ST			(MAX)	Warner Bros.
Trip to Bountiful, The		*ST	(TMC)			Embassy
Tuff Turf	*HBO					New World
Turning Point, The		ST	(TMC)		(MAX)	20th Century-Fox
Twice in a Lifetime		ST	*TMC			S. Roberts
Two Seconds		ST				MGM/UA
Urban Cowboy		(ST)	*TMC			Paramount
Used Cars	HBO				(MAX)	Columbia
Vanessa		ST				Film Gallery
Violets Are Blue...	HBO				(MAX)	Columbia
Vision Quest	(HBO)	(ST)	*TMC		(MAX)	Warner Bros.
Volunteers					MAX	Silver Screen
War Boy, The	HBO					Simcom
Wargames	HBO	(ST)	(TMC)		(MAX)	MGM/UA
Warning Sign		ST	(TMC)		(MAX)	20th Century-Fox
Way Down Cellar				*DIS		Disney
What Comes Around					*MAX	Simcom
Where Are the Children?					MAX	Columbia
Who Loves Amy Tonight?	HBO					Orbis
Witness			*TMC			Paramount
Woman of the river		ST				DEG
Wonder Woman			TMC			Warner Bros.
Yellowbeard		ST	*TMC			Orion
Yentl	HBO		*TMC			MGM/UA
Young Sherlock Holmes		ST	(TMC)			Paramount
Young Visitors, The				*DIS		Miramax
Zelig	HBO					Warner Bros.
Zero Boys, The					MAX	Forminx
Zoo Gang, The	HBO					New World
Zulu Dawn	HBO					Zulu Dawn

Cable Network Legend:
HBO—Home Box Office
ST—Showtime
TMC—The Movie Channel
DIS—The Disney Channel
MAX—Cinemax

- Networks in parentheses indicate carriage in March, April, May, June and/or July. An asterisk indicates the film is a carry-over from March, April, May, June and/or July.
- In total, 296 films appear on the August schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 11 have played on four of the five services, 29 have played on three, and 77 have played on two of the five services. One hundred and seventy-nine titles on the August schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles on pay TV in August is Warner Bros. with 37, followed by 20th Century-Fox with 31, followed by Columbia with 21, Orion with 9, Universal with 6 and MGM/UA with 4.

CABLE STATS

Cable services subscriber count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	278	5,400,000
Alternate View Network	232	2,750,000
Arts & Entertainment (A&E)	2,400	24,000,000
Black Entertainment Television (BET)	812	13,000,000
CBN Cable Network	7,582	35,834,000
C-SPAN	2,600	27,500,000
C-SPAN II	400	9,000,000
Cable News Network (CNN)	10,902	41,078,000
Cable Value Network	107	17,100,000
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	470	6,700,000
The Discovery Channel	1,700	17,400,000
ESPN	15,766	42,800,000
Eternal Word Television Network (EWTN)	361	6,600,000
Financial News Network (FNN)	1,450	24,000,000
FNN/Score	1,050	19,000,000
FNN/TelShop	750	10,500,000
GalaVision	288	750,000
Gospel Music Network	16	460,000
Headline News	3,249	26,220,000
Hit Video USA	41	1,700,000
Home Shopping Network	1,036	14,182,185
Home Shopping Network 2	229	5,524,000
International Television Network	55	7,000,000
The Inspirational Network	1,300	13,300,000
The Learning Channel	900	9,024,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,310	32,300,000
The Motivation Network	7	242,900
Music Television (MTV)	4,709	33,400,000
The Nashville Network	4,800	33,500,000
National Jewish Television (NJTV)	295	6,800,000
National Shopping Club	65	1,500,000
Nickelodeon	5,005	31,700,000
The Nostalgia Channel	215	1,200,000
Ozark Mountain Network	N/A	N/A
QVC Network	531	8,853,000
Silent Network	300	9,134,016
Sky Merchant	12	600,000
Tempo Television	665	12,500,000
The Travel Channel	120	6,000,000
Trinity Broadcasting Network	496	6,560,000
USA Network	8,500	39,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	60	23,000,000
The Weather Channel	2,750	28,151,540
WGN-TV	10,061	22,481,000
WOR-TV	2,162	9,258,596
WPIX-TV	347	2,471,000
WTBS-TV	11,962	41,952,000

Pay services		
American Movie Classics	1,000	6,000,000
Bravo	300	450,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Festival	N/A	N/A
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	600	600,000
Showtime	3,200	5,400,000

Audio services		
Cable Radio Network	34	1,630,000
JazzAmerica	N/A	N/A
KKGO Super Jazz	15	123,560
Moody Bible Institute	59	868,516
National Black Network	N/A	N/A
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,273
Seeburg Lifestyle Adult Contemporary	25	536,227
Tempo Sound	300	1,000,000
WFMT Chicago	168	1,343,000

Text services		
AP News Cable	185	2,500,000
AP Business Plus	54	1,400,000
AP Business Watch	20	500,000
AP News Plus	75	2,100,000
Cable SportsTracker	34	2,332,000

Basic services	Affiliates	Subscribers
DBC/MarketWatch	240	5,000,000
Electronic Program Guide (EPG)	407	7,042,000
EPG Jr.	114	124,786
Genesis Cable Storytime	35	1,350,000
Reuters News View	127	2,437,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000
X*Press Exchange	200	1,000,006

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	170	6,500,000
Fuji Network	3	12,000
Nippon Golden Network	3	12,000
Telaction	N/A	N/A
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	156,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	36	1,275,174
The Ecumenical Channel	12	170,000
KTVT	209	1,891,000
Life Newsvision	35	50,000
Madison Square Garden	90	2,015,000
Meadows Racing Network	14	446,000
News 12 Long Island	7	500,000
Prime Cable	8	325,865
Prime Ticket	30	1,600,000
SportsVision (Chicago)	45	939,400

Pay services		
Dodgervision	44	935,000
Giantsvision	38	1,000,000
Home Sports Entertainment—Houston/Dallas	119	216,000
Home Team Sports	100	600,000
New England Sports Network	159	181,482
PRISM-Philadelphia	86	379,004
Pro-Am Sports	120	115,000
SportsChannel (New England)	140	710,000
SportsChannel (New York)	77	842,000
Z Channel	21	84,000

Announced services

Satellite-fed services	Expected launch
Americana Network	2nd Quarter 1988
American Catalog Network	3rd Quarter 1987
Apollo Entertainment Television	TBA
Comedy Television	2nd Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
The Fashion Channel	8/87
International Cablecasting's Cable Radio Network	9/87
Movietime	7/87
The Preview Network	4th Quarter 1987
Television Catalog	1st Quarter 1988
Tunnelvision	10/87
United Shoppers of America	9/87
Vacation Travel Network	4th Quarter 1987
World Travel Network	4th Quarter 1987
You TV	1/88

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217. N/A denotes information not available. TBA denotes to be announced.

- C4722-2
7/24/87

JULY 20, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

KKR PREPARING FOR STORER SALE

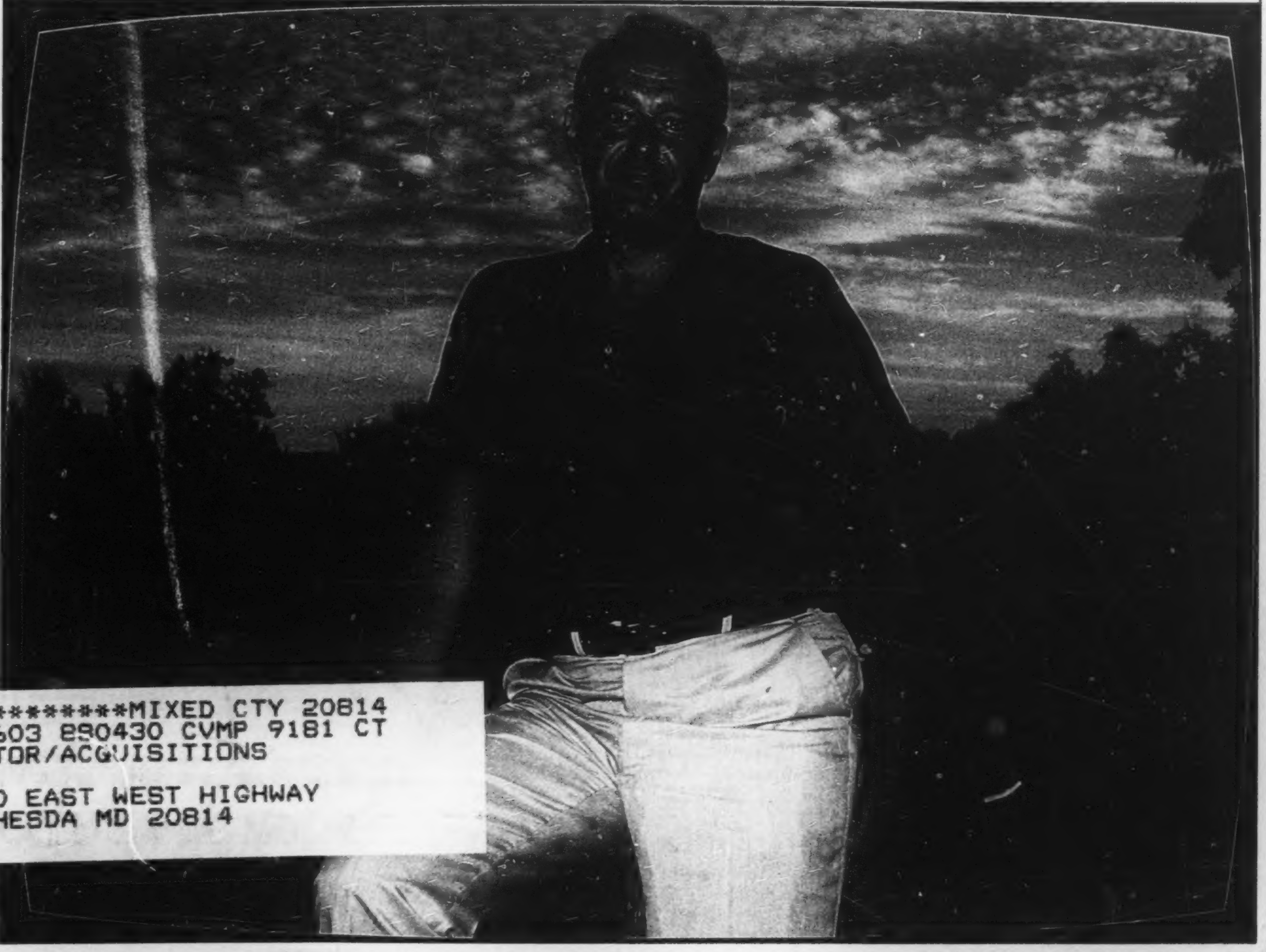
FRANCHISE RUMBLINGS IN SACRAMENTO

CABLE MONTH SET TO BECOME ANNUAL AFFAIR

BIDDING WAR FOR PARAMOUNT RIGHTS INTENSIFIES

TIME INC. WEIGHING PPV, BASIC NET IDEAS

MAINTAINING GROWTH AND CONTROL: TOW, OTHERS SHOW HOW IT'S DONE



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CableVision

FRONTLINE

KKR readies Storer deal 12
Inside sources say the investment partnership in control of Storer Communications is preparing to entertain offers for the MSO, with several cable concerns indicating a strong interest in bidding on the valuable properties.

Courting Paramount 12
Showtime and HBO are bidding furiously for an exclusive tie with Paramount, with a deal anticipated within days.

Cable Month may become fixture 16
Widespread enthusiasm over the results of Cable Month promotions has inspired industry leaders to begin planning for a repeat next year and in the years beyond.

Superstation scrambling bill 18
Congress is again looking at proposed legislation that would establish copyright payment rules to allow satellite carriers to sell superstation programming to backyard dish owners.

Sacramento upheaval 20
California capitol responds to adverse jury findings in Pacific West case with franchise bill permitting "cherry-picking."

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PROGRAMMING

HBO exploring PPV, basic net ideas 24
With Time Inc. free of its partnership arrangement with Paramount and MCA in USA Network, the media giant is weighing several options aimed at spawning new product.

SATDIRECT

No congressional action seen on scrambling 32
With the Justice Dept. saying it has seen no evidence of collusion between operators and programmers, Congress appears unlikely to pass scrambling legislation in the wake of recent hearings, despite strong concerns about the pace of market developments.

End to VideoCipher shortage promised 37
General Instrument told Congress it expects the shortage of VideoCipher II home decoders to be over by September.

COVER STORY

Wealth and freedom 42
Century Communications CEO Leonard Tow is one of several cable entrepreneurs who have blazed a path of independence in building their companies. The tactics they've employed demonstrate not only how individual wealth can be achieved in cable but also how MSO management can retain control in an era of takeover fever. Photo by Candace Drake.

Pay Per View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

August

August	Source
Black Widow (8/20) MPAA Rating: R Running Time: 100 mins. Cast: Debra Winger, Theresa Russell.	20th Century-Fox
Brighton Beach Memoirs (8/1) MPAA Rating: PG Running Time: 110 mins. Cast: Johnathan Silverman, Blythe Danner, Boby Dishy.	Universal
The Color Purple (8/26) MPAA Rating: PG-13 Running Time: 156 mins. Cast: Whoopie Goldberg, Danny Glover, Oprah Winfrey.	Warner Bros.
Critical Condition (8/1) MPAA Rating: R Running Time: 100 mins. Cast: Richard Pryor, Rachel Tichotin, Ruben Blades.	Paramount
Crystal Heart (8/20) MPAA Rating: R Running Time: 103 mins. Cast: Lloyd Bochner, Lee Curreri, Tawny Kitaen.	HBO Enterprises
King Kong Lives (8/19) MPAA Rating: PG-13 Running Time: 105 mins. Cast: Brian Kerwin, Linda Hamilton, John Ashton.	Lorimar
Knights and Emeralds (8/12) MPAA Rating: PG Running Time: 91 mins. Cast: Christopher Wild, Beverly Hills, Warren Mitchell.	Warner Bros.
Little Shop of Horrors (8/12) MPAA Rating: PG-13 Running Time: 94 mins. Cast: Rick Moranis, Ellen Greene, Vincent Gardenia.	Warner Bros.
Playing For Keeps (8/1) MPAA Rating: PG Running Time: 103 mins. Cast: Daniel Jordano, Matthew Penn, Leon Grant.	Universal
Quiet Cool (8/8) MPAA Rating: R Running Time: 86 mins. Cast: James Remar, Adam Coleman, Howard Ashbrook, Daphne Ashbrook.	Universal
'Round Midnight (8/12) MPAA Rating: R Running Time: 131 mins. Cast: Dexter Gordon, Herbie Hancock, Francois Cluzet.	Warner Bros.
Three Amigos (8/5) MPAA Rating: PG Running Time: 103 mins. Cast: Steve Martin, Chevy Chase, Martin Short.	Orion

September

September	Source
Condorman (9/17) MPAA Rating: PG Running Time: 90 mins. Cast: Barbara Carrera, Oliver Reed.	Walt Disney
From The Hip (9/2) MPAA Rating: PG Running Time: 111 mins. Cast: Judd Nelson, Elizabeth Perkins, John Hurt.	Lorimar
The Good Wife (9/2) MPAA Rating: R Running Time: 97 mins. Cast: Rachel Ward, Bryan Brown, Sam Neill.	Paramount
The Mission (9/30) MPAA Rating: PG Running Time: 125 mins. Cast: Robert De Niro, Jeremy Irons, Aidan Quinn, Cherie Lunghi.	Warner Bros.
Over The Top (9/23) MPAA Rating: PG Running Time: 94 mins. Cast: Sylvester Stallone, Robert Loggia, Susan Blakely, David Mendenhall.	Warner Bros.
Pretty Smart (9/11) MPAA Rating: R Running Time: 84 mins. Cast: Tricia Lee Fisher, Patricia Arquette, Dennis Cole.	HBO Enterprises
Radio Days (9/1) MPAA Rating: PG Running Time: 88 mins. Cast: Mia Farrow, Diane Wiest, Julie Kamer, Joshua Mostel.	Orion
Some Kind of Wonderful (9/2) MPAA Rating: PG-13 Running Time: 95 mins. Cast: Eric Stoltz, Mary Stuart Masterson, Lea Thompson.	Paramount
Wild Thing (9/2) MPAA Rating: PG-13 Running Time: 95 mins. Cast: Rob Knepper, Kathleen Quinlin, Betty Buckley.	Paramount

Note: Running times are approximate.
NR indicates film not rated by MPAA.
* Unavailable at presstime.

Pay Per View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	All movies, 24 hours per day 50-60 titles per month	Field trial basis; currently serving 10 MSOs nationwide. (2,500 Impulse addressable subscribers).
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title, plus up to two licensed films edited for Playboy.	Available in systems serving 185,000 subs (139,000 addressable).
Request Television	November 27, 1985	Galaxy 1, tr. 12	VideoCipher II	Min. of four major motion pictures per week over 14 day cycle, special events	Available in systems serving 3 million subs. (2 million addressable).
Telstar Channels	June 5, 1986	Interrum Standalone, testing on Telstar 303	Testing G.I. Starloc IV	Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events.	Available in systems serving 74,000 subs (11,500 addressable).
Viewer's Choice	November 26, 1985	VC-1 Satcom 3R, tr. 5, VC-2 Galaxy 1, tr. 16	VideoCipher II	One major motion picture per week, special events	Available in systems serving 2.6 million subs. (1.6 million addressable).

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	12
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
rytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
The Travel Channel	16
Trinity Broadcasting Network	3
TV Decisions	24
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
The Motivation Network	3
National Black Network	19
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
The Silent Network	23V
SportsChannel-New England	23
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	13
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
National Shopping Club	23
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner. Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	4,200,000	(4/87)
2.	American Television and Communications Corp.	2,888,957	(3/87)
3.	Continental Cablevision	1,456,000	(1/87)
4.	Storer Cable Communications	1,394,000	(2/87)
5.	Cox Cable Communications	1,371,731	(3/87)
6.	Warner Cable Communications Inc.	1,341,613	(6/87)
7.	Comcast	1,258,242	(5/87)
8.	United Cable	1,086,457	(4/87)
9.	Newhouse Broadcasting	1,024,948	(3/87)
10.	Heritage Communications Inc.	1,010,717	(5/87)
11.	Viacom Cablevision	[illegible],000	(6/87)
12.	Jones Intercable	924,857	(6/87)
13.	Times Mirror Cable Television Inc.	847,009	(1/87)
14.	Sammons Communications Inc.	826,581	(5/87)
15.	UA Cablesystems Corp.	771,278	(5/87)
16.	Cablevision Systems Corp.	707,800	(5/87)
17.	Paragon Cable	632,000	(5/87)
18.	Century Communications Corp.	600,000	(12/86)
19.	Rogers Cablesystems Inc.	535,207	(2/87)
20.	Daniels & Associates	529,762	(4/87)
21.	Cable Vision Industries	510,100	(5/87)
22.	Telecable Corp.	497,145	(3/87)
23.	Centel Cable	493,765	(4/87)
24.	American Cablesystems Corp.	455,467	(5/87)
25.	Cooke Cablevision	435,000	(2/87)
26.	Adelphia Communications	434,473	(4/87)
27.	Scripps-Howard	380,000	(6/87)
28.	Falcon Cable	379,000	(2/87)
29.	Post-Newsweek	372,344	(4/87)
30.	Wometco Cable TV Inc.	336,820	(1/87)
31.	TCA Group	328,071	(4/87)
32.	Prime Cable Corp.	325,865	(3/87)
33.	Multimedia Cablevision	298,1[illegible]2	(6/87)
34.	Tele-Media	285,300	(3/87)
35.	Colony Communications Inc.	259,229	(4/87)
36.	Maclean Hunter Cable TV Ltd.	250,215	(2/87)
37.	Rifkin & Associates	250,000	(4/87)
38.	Lenfest Group	239,825	(6/87)
39.	Western Communications	238,215	(4/87)
40.	Communications Service Inc.	210,000	(12/86)
41	Service Electric Cable TV Inc.	195,000	(3/87)
42.	TCI-Taft	191,915	(5/87)
43.	TKR Cable Co.	190,417	(4/87)
44.	Cencom Cable	173,042	(5/87)
45.	Hauser Communications Inc.	170,000	(6/87)
46.	Adams-Russell Communications	159,306	(3/87)
47.	Harte-Hanks Communications	153,119	(4/87)
48.	Harron Communications	151,902	(3/87)
49.	Greater Media	146,951	(4/87)
50.	Media General Inc.	146,028	(4/87)
51.	Sutton Capital Corp.	145,475	(4/87)
52.	Marcus Communications	141,052	(3/87)
53.	Armstrong Utilities	138,651	(3/87)
54.	Palmer Communications	137,936	(5/87)
55.	Televents Inc.	129,801	(2/87)
56.	Blade Communications	128,378	(4/87)
57.	Essex Communications Corp.	124,308	(4/87)
58	Summit Communications	118,134	(4/87)
59.	U.S. Cable Corp.	114,4[illegible]6	(5/87)
60.	First Carolina Communications Inc.	114,104	(1/87)
61.	Simmons Communications	110,892	(4/87)
62.	Multi-Channel TV Cable Inc.	109,822	(2/87)
63.	Sonic Communications	109,240	(5/87)
64.	Columbia International	107,078	(3/87)
65.	Booth Communications	104,376	(5/87)
66.	Bresnan Communications Co.	104,136	(4/87)
67.	Northland Communications	103,550	(1/87)
68.	King Videocable	102,000	(3/87)
69.	Scott Cable Communications	98,886	(4/87)
70.	M.L. Media Partners	98,165	(4/87)
71.	Susquehanna Broadcasting	90,923	(3/87)
72.	McDonald Group	90,079	(8/84)
73.	Midcontinent Cable Systems Co.	88,104	(3/87)
74.	James Communications	87,533	(2/87)
75.	WEHCO Video	87,448	(5/87)
76.	United Video Management	80,171	(2/87)
77.	Pencor Services	79,028	(3/87)
78.	Omega Communications	77,626	(1/87)
79.	Selkirk Communications	66,581	(5/87)
80.	C4 Media Corp.	64,719	(3/87)
81.	Wisconsin Cablevision and Radio Co.	63,425	(3/87)
82.	Acton Corp.	60,035	(1/87)
83.	Mountain Cable Co.	58,626	(6/87)
84.	Masada Corp.	58,293	(4/87)
85.	Galaxy Cablevision	56,462	(3/87)
86.	Chambers Communications Corp.	53,809	(3/87)
87.	Cardinal Communications	53,200	(2/87)
88.	Enstar Communications	53,024	(4/87)
89.	North American Comm. Corp.	50,616	(3/87)
90.	Tidel Communications	50,427	(4/87)
91.	Insight Communications	50,000	(2/87)
92.	Hearst Communications of California	49,447	(4/87)
93.	State Cable TV	48,861	(2/87)
94.	Helicon Corp.	48,000	(4/87)
95.	Joseph Gans Cable TV	46,532	(11/86)
96	Commonwealth Cable Systems	45,900	(5/87)
97.	Dowden Cable	45,760	(4/87)
98.	New England Cablevision	45,395	(5/87)
99.	Donrey Cablevision	44,112	(4/87)
100.	CableAmerica	43,082	(1/87)

Subscriber counts are provided by MSOs and systems to ITCI. Figures will be updated quarterly. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	Woodbury (Long Island), NY	Cablevision Systems Corp.	282,000	(5/87)
2.	San Diego, CA	Cox Cable	279,179	(3/87)
3.	Manhattan, NY	ATC	229,907	(3/87)
4.	San Antonio, TX	Rogers	220,510	(3/87)
5.	East Orange, NJ	Maclean Hunter	189,[illegible]17	(3/87)
6.	Houston, TX	Warner	184,926	(6/87)
7.	Honolulu, HI	ATC	180,882	(3/87)
8.	Puget Sound, WA	Viacom	175,000	(1/87)
9.	Phoenix, AZ	Times Mirror	157,615	(1/87)
10.	Cincinnati, OH	Warner	156,863	(6/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	154,930	(2/87)
12.	Wayne, NJ	UA Cablesystems	154,622	(5/87)
13.	Englewood, CO	United Cable	154,165	(4/87)
14.	Rochester, NY	ATC	145,538	(3/87)
15.	Tulsa, OK	United Cable	145,350	(4/87)
16.	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
17.	Hampton Roads, VA	Cox Cable	142,605	(3/87)
18.	Cherry Hills, NJ	NYT	140,105	(1/87)
19.	Fairfax, VA	Media General	139,000	(5/87)
20.	Atlanta, GA	Prime Cable Corp.	137,196	(3/87)
21.	Hartford/Plainville, CT	United Cable	136,479	(2/87)
22.	Jacksonville, FL	Continental	136,000	(4/87)
23.	Kansas City, MO	ATC	129,788	(3/87)
24.	Baltimore County, MD	Comcast	128,552	(5/87)
25.	Buffalo, NY	Adelphia Communications	128,105	(4/87)
26.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
27.	Erie County, NY	Adelphia	127,160	(3/87)
28.	Memphis/W. Memphis, TN	ATC	125,715	(3/87)
29.	Seattle, WA	Tele-Communications Inc.	125,000	(12/86)
30.	Manhattan, NY	Paragon Cable	125,000	(5/87)
31.	San Jose, CA	Gill Industries	119,100	(2/87)
32.	Charlotte, NC	ATC	118,791	(3/87)
33.	Long Island, NY	Viacom	112,000	(1/87)
34.	Austin, TX	ATC	111,537	(3/87)
35.	San Diego, CA	ATC	111,522	(3/87)
36.	San Francisco, CA	Viacom	106,500	(1/87)
37.	Pompano, FL	American Cablesystems	105,494	(5/87)
38.	Toledo, OH	Blade Communications	105,386	(4/87)
39	San Juan, PR	ML Media Partners	104,823	(11/86)
40.	Warren, NJ	TKR	104,569	(6/87)
41.	Dallas, TX	Heritage	102,281	(5/87)
42.	Southeast Michigan	Comcast	100,031	(5/87)
43.	Jefferson Parish/Kenner, LA	Cox Cable	97,718	(3/87)
44.	Pinellas County, FL	Vision Cable	94,996	(4/87)
45.	Wilmington, DE	Heritage	94,645	(5/87)
46.	Grand Rapids, MI	UA Cablesystems	94,542	(5/87)
47.	Dade/Broward, FL	Storer	91,000	(2/87)
48.	Indianapolis, IN	Comcast	88,821	(5/87)
49.	Raleigh/Durham, N.C.	ATC	88,198	(3/87)
50.	Escondido, CA	Times Mirror	87,586	(1/87)
51.	Richmond, VA	Continental	86,866	(3/87)
52.	Pittsburgh, PA	Tele-Communications Inc.	85,000	(12/86)
53.	Jackson/Monroe, MS	ATC	82,500	(12/85)
54.	Oakland County, MI	United Cable	82,304	(2/87)
55.	Boston, MA	Cablevision	82,100	(5/87)
56.	Wichita, KS	Multimedia Cablevision	81,995	(5/87)
57.	Tacoma, WA	Viacom	80,500	(2/87)
58.	South Texas, TX	Heritage	79,981	(5/87)
59.	Flint, MI	Comcast Cable	79,812	(5/87)
60.	Milwaukee, WI	Warner	78,635	(6/87)
61.	Baton Rouge, LA	Daniels & Assocs.	77,879	(4/87)
62.	Akron, OH	Warner	76,668	(6/87)
63.	Las Vegas, NV	Prime	75,665	(3/87)
64.	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
65.	New Orleans, LA	Cox Cable	74,614	(3/87)
66.	South Bend, IN	Heritage	74,321	(5/87)
67.	Greensboro, NC	ATC	74,100	(12/85)
68.	Santa Monica, CA	Century	74,000	(5/86)
69.	Nashville, TN	Viacom	74,000	(1/87)
70.	Allentown, PA	Service Elec.	74,000	(3/87)
71.	Dover, Morristown, NJ	Sammons	73,787	(5/87)
72.	Orange County, CA	Times Mirror	72,863	(1/87)
73.	Cleveland Heights, OH	Viacom	71,600	(1/87)
74.	Columbus, OH	Warner	70,984	(6/87)
75.	Medford Complex (Boston Suburbs), MA	Warner	70,659	(6/87)
76.	Fayetteville, NC	ATC	70,136	(3/87)
77.	Omaha, NE	Cox Cable	69,846	(3/87)
78.	Contra Costa Co. CA	Televents	69,474	(4/87)
79.	Harrisburg, PA	Sammons Communications	69,172	(5/87)
80.	Ocean County, NJ	Adelphia	68,851	(4/87)
81.	Little Rock, AR	Storer	68,393	(2/87)
82.	St. Petersburg, FL	Paragon Cable	68,000	(5/87)
83.	Des Moines, IA	Heritage	66,835	(5/87)
84.	Indianapolis,IN	ATC	66,674	(3/87)
85.	Albuquerque, NM	Jones Intercable	66,470	(7/87)
86.	Birmingham, AL	ATC	66,254	(3/87)
87.	Greater Bridgeport, CT	Cablevision Co.	65,800	(5/87)
88.	Lower Fairfield Co., CT	Cablevision Co.	65,600	(5/87)
89.	New Haven, CT	Storer	65,595	(2/87)
90.	El Paso, TX	Group W (ATC)	65,000	(5/87)
91.	Syracuse (suburbs), NY	NewChannels Corp.	64,847	(3/87)
92.	Oklahoma City, OK	Cox Cable	64,444	(3/87)
93.	Winston-Salem, N.C.	Summit	64,072	(4/87)
94.	Monterey, CA	Western Communications	63,815	(4/87)
95.	Sarasota, FL	Storer	63,207	(2/87)
96.	Lincoln, RI	Heritage	63,128	(5/87)
97.	Cook County, IL	Continental	63,000	(4/87)
98.	Madison, WI	Tele-Communications Inc.	63,000	(12/86)
99.	Westchester Co., NY	UA Cablesystems	62,804	(5/87)
100.	Santa Barbara, CA	Cox Cable	62,763	(3/87)

AUGUST 3, 1987

CableVision

C4722-2
8/14/87

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

STOCKS RIDE UPTURN TO NEW HIGHS

CASH-STARVED STATES EYE CABLE FOR NEW REVENUE

HBO ADDS 'NEW MOVES' TO FALL MARKETING

OPENING VOLLEYS FIRED IN SYNDEX WAR

COURT UPHOLDS CABLE DEREGULATION

AT THE MOVIES WITH TCI: CAN CABLE AND THEATERS CO-STAR?

CINEPLEX ODEON
WARNER
DAN
AYKROY
ARNER
T-SHIRT EXPR

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FRONTLINE

The syntax of syndex 12
Opening salvos are fired as the FCC begins its long-awaited proceeding aimed at restoring some form of programming syndicated exclusivity. And the battle immediately gets personal.

New programming on dislay 13
TV critics from around the country are shown new cable programming for the fall season, and in the view of one of them, it locks like more of the same.

Cable stocks soar 16
A rising market is lifting the boats of most cable stocks, with several issues hitting record highs.

Cable LPs skyrocket 18
The value of cable limited partnerships soared to $350 million in 1987's first half, up 288 percent from a year ago to outpace all other kinds of LPs.

Departments

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PROGRAMMING

Paramount goes to HBO 22
The smoke finally cleared from the battle over rights to Paramount films, and it was HBO emerging with 85 future flicks in hand. The development presents an odd twist in the film exclusivity wars.

MARKETING

A 'Super Season' ahead 30
HBO steps into the major leagues of direct mail marketers this fall when it launches "Super Season," a promotion that will reach 90 percent of all homes and be supported by 1 million telemarketing calls.

Raise the roof to find out what's going on in this house
BONUS TICKET/#1
HBO's special offer is sounding better and better...
FRONT ROW TICKETS

LAW AND REGULATION

Cable deregulation survives 37
The centerpiece of cable deregulation—a determination by the FCC that the availability of three TV stations in a market is sufficient to trigger deregulation of cable rates—has largely been upheld by the U.S. Court of Appeals in Washington. But the court did put a dent in cable's deregulation armor.

FORUM

L.O. is OK 33
Often neglected by many operators, local programming can go a long way to enhancing a system's public image as well as improving revenues, contends one executive with experience in the field.

BUSINESS

The tax man cometh 44
Cable's high profile of late has brought many good things, but now that visability may be backfiring. Many states are putting the arm on cable operators and other service industries to help replenish dwindling coffers.

CINEPLEX ODEON
WARNER
DAN AYKROYD

COVER STORY

A look at UACI 40
When TCI went after UACI, it really was after the cable properties. But TCI is staying at the movies and exploring the synergies flowing from dominance in both cable and theater exhibition. Is this the shape of things to come in media diversification?
—photo by Candace Drake

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	12
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
Genesis Storytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
The Travel Channel	16
Trinity Broadcasting Network	3
TV Decisions	24
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
The Motivation Network	3
National Black Network	19
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
The Silent Network	23V
SportsChannel-New England	23
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	13
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
National Shopping Club	23
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner. Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	4,200,000	(4/87)
2.	American Television and Communications Corp.	2,888,957	(3/87)
3.	Continental Cablevision	1,456,000	(1/87)
4.	Storer Cable Communications	1,394,000	(2/87)
5.	Cox Cable Communications	1,371,731	(3/87)
6.	Warner Cable Communications Inc.	1,341,613	(6/87)
7.	Comcast	1,258,242	(5/87)
8.	United Cable	1,086,457	(4/87)
9.	Newhouse Broadcasting	1,024,948	(3/87)
10.	Heritage Communications Inc.	1,010,717	(5/87)
11.	Viacom Cablevision	996,000	(6/87)
12.	Jones Intercable	924,857	(6/87)
13.	Times Mirror Cable Television Inc.	847,009	(1/87)
14.	Sammons Communications Inc.	826,581	(5/87)
15.	UA Cablesystems Corp.	771,278	(5/87)
16.	Cablevision Systems Corp.	707,800	(5/87)
17.	Paragon Cable	632,000	(5/87)
18.	Century Communications Corp.	600,000	(12/86)
19.	Rogers Cablesystems Inc.	535,207	(2/87)
20.	Daniels & Associates	529,762	(4/87)
21.	Cable Vision Industries	510,100	(5/87)
22.	Telecable Corp.	497,145	(3/87)
23.	Centel Cable	493,765	(4/87)
24.	American Cablesystems Corp.	455,467	(5/87)
25.	Cooke Cablevision	435,000	(2/87)
26.	Adelphia Communications	434,473	(4/87)
27.	Scripps-Howard	380,000	(6/87)
28.	Falcon Cable	379,000	(2/87)
29.	Post-Newsweek	372,344	(4/87)
30.	Wometco Cable TV Inc.	336,820	(1/87)
31.	TCA Group	328,071	(4/87)
32.	Prime Cable Corp.	325,865	(3/87)
33.	Multimedia Cablevision	298,112	(6/87)
34.	Tele-Media	285,300	(3/87)
35.	Colony Communications Inc.	259,229	(4/87)
36.	Maclean Hunter Cable TV Ltd.	250,215	(2/87)
37.	Rifkin & Associates	250,000	(4/87)
38.	Lenfest Group	239,825	(6/87)
39.	Western Communications	238,215	(4/87)
40.	Communications Service Inc.	210,000	(12/86)
41.	Service Electric Cable TV Inc.	195,000	(3/87)
42.	TCI-Taft	191,915	(5/87)
43.	TKR Cable Co.	190,417	(4/87)
44.	Cencom Cable	173,042	(5/87)
45.	Hauser Communications Inc.	170,000	(6/87)
46.	Adams-Russell Communications	159,306	(3/87)
47.	Harte-Hanks Communications	153,119	(4/87)
48.	Harron Communications	151,902	(3/87)
49.	Greater Media	146,951	(4/87)
50.	Media General Inc.	146,028	(4/87)
51.	Sutton Capital Corp.	145,475	(4/87)
52.	Marcus Communications	141,052	(3/87)
53.	Armstrong Utilities	138,651	(3/87)
54.	Palmer Communications	137,936	(5/87)
55.	Televents Inc.	129,801	(2/87)
56.	Blade Communications	128,378	(4/87)
57.	Essex Communications Corp.	124,308	(4/87)
58.	Summit Communications	118,134	(4/87)
59.	U.S. Cable Corp.	114,486	(5/87)
60.	First Carolina Communications Inc.	114,104	(1/87)
61.	Simmons Communications	110,892	(4/87)
62.	Multi-Channel TV Cable Inc.	109,822	(2/87)
63.	Sonic Communications	109,240	(5/87)
64.	Columbia International	107,078	(3/87)
65.	Booth Communications	104,376	(5/87)
66.	Bresnan Communications Co.	104,136	(4/87)
67.	Northland Communications	103,550	(1/87)
68.	King Videocable	102,000	(3/87)
69.	Scott Cable Communications	98,886	(4/87)
70.	M.L. Media Partners	98,165	(4/87)
71.	Susquehanna Broadcasting	90,923	(3/87)
72.	McDonald Group	90,079	(8/84)
73.	Midcontinent Cable Systems Co.	88,104	(3/87)
74.	J[illegible]mes Communications	87,533	(2/87)
75.	WEHCO Video	87,448	(3/87)
76.	United Video Management	80,171	(2/87)
77.	Pencor Services	79,028	(3/87)
78.	Omega Communications	77,626	(1/87)
79.	Selkirk Communications	66,581	(5/87)
80.	C4 Media Corp.	64,719	(3/87)
81.	Wisconsin Cablevision and Radio Co.	63,425	(3/87)
82.	Acton Corp.	60,035	(1/87)
83.	Mountain Cable Co.	58,626	(6/87)
84.	Masada Corp.	58,[illegible]93	(4/87)
85.	Galaxy Cablevision	56,462	(3/87)
86.	Chambers Communications Corp.	53,809	(3/87)
87.	Cardinal Communications	53,200	(2/87)
88.	Enstar Communications	53,024	(4/87)
89.	North American Comm. Corp.	50,616	(3/87)
90.	Tidel Communications	50,427	(4/87)
91.	Insight Communications	50,000	(2/87)
92.	Hearst Communications of California	49,447	(4/87)
93.	State Cable TV	48,861	(2/87)
94.	Helicon Corp.	48,000	(4/87)
95.	Joseph Gans Cable TV	46,532	(11/86)
96.	Commonwealth Cable Systems	45,900	(5/87)
97.	Dowden Cable	45,760	(4/87)
98.	New England Cablevision	45,395	(5/87)
99.	Donrey Cablevision	44,112	(4/87)
100.	CableAmerica	43,082	(1/87)

Subscriber counts are provided by MSOs and systems to ITCI. Figures will be updated quarterly. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 systems

Rank	Location	Operator	Basic subs	
1.	Woodbury (Long Island), NY	Cablevision Systems Corp.	282,000	(5/87)
2.	San Diego, CA	Cox Cable	279,179	(3/87)
3.	Manhattan, NY	ATC	229,907	(3/87)
4.	San Antonio, TX	Rogers	220,510	(3/87)
5.	East Orange, NJ	Maclean Hunter	189,917	(3/87)
6.	Houston, TX	Warner	184,926	(6/87)
7.	Honolulu, HI	ATC	180,882	(3/87)
8.	Puget Sound, WA	Viacom	175,000	(1/87)
9.	Phoenix, AZ	Times Mirror	157,615	(1/87)
10.	Cincinnati, OH	Warner	156,863	(6/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	154,930	(2/87)
12.	Wayne, NJ	UA Cablesystems	154,622	(5/87)
13.	Englewood, CO	United Cable	154,165	(4/87)
14.	Rochester, NY	ATC	145,538	(3/87)
15.	Tulsa, OK	United Cable	145,350	(4/87)
16.	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
17.	Hampton Roads, VA	Cox Cable	142,605	(3/87)
18.	Cherry Hills, NJ	NYT	140,105	(1/87)
19.	Fairfax, VA	Media General	139,000	(5/87)
20.	Atlanta, GA	Prime Cable Corp.	137,196	(3/87)
21.	Hartford/Plainville, CT	United Cable	136,479	(2/87)
22.	Jacksonville, FL	Continental	136,000	(4/87)
23.	Kansas City, MO	ATC	129,788	(3/87)
24.	Baltimore County, MD	Comcast	128,552	(5/87)
25.	Buffalo, NY	Adelphia Communications	128,105	(4/87)
26.	Florida Division (Orlando/Ormond Beach)	ATC	128,100	(12/85)
27.	Erie County, NY	Adelphia	127,160	(3/87)
28.	Memphis/W. Memphis, TN	ATC	125,715	(3/87)
29.	Seattle, WA	Tele-Communications Inc.	125,000	(12/86)
30.	Manhattan, NY	Paragon Cable	125,000	(5/87)
31.	San Jose, CA	Gill Industries	119,100	(2/87)
32.	Charlotte, NC	ATC	118,791	(3/87)
33.	Long Island, NY	Viacom	112,000	(1/87)
34.	Austin, TX	ATC	111,537	(3/87)
35.	San Diego, CA	ATC	111,522	(3/87)
36.	San Francisco, CA	Viacom	106,500	(1/87)
37.	Pompano, FL	American Cablesystems	105,494	(5/87)
38.	Toledo, OH	Blade Communications	105,386	(4/87)
39.	San Juan, PR	ML Media Partners	104,823	(11/86)
40.	Warren, NJ	TKR	104,569	(6/87)
41.	Dallas, TX	Heritage	102,281	(5/87)
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52.	Pittsburgh, PA	Tele-Communications Inc.	85,000	(12/86)
53.	Jackson/Monroe, MS	ATC	82,500	(12/85)
54.	Oakland County, MI	United Cable	82,304	(2/87)
55.	Boston, MA	Cablevision	82,100	(5/87)
56.	Wichita, KS	Multimedia Cablevision	81,995	(5/87)
57.	Tacoma, WA	Viacom	80,500	(2/87)
58.	South Texas, TX	Heritage	79,981	(5/87)
59.	Flint, MI	Comcast Cable	79,812	(5/87)
60.	Milwaukee, WI	Warner	78,635	(6/87)
61.	Baton Rouge, LA	Daniels & Assocs.	77,879	(4/87)
62.	Akron, OH	Warner	76,668	(6/87)
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65.	New Orleans, LA	Cox Cable	74,614	(3/87)
66.	South Bend, IN	Heritage	74,321	(5/87)
67.	Greensboro, NC	ATC	74,100	(12/85)
68.	Santa Monica, CA	Century	74,000	(5/86)
69.	Nashville, TN	Viacom	74,000	(1/87)
70.	Allentown, PA	Service Elec.	74,000	(3/87)
71.	Dover, Morristown, NJ	Sammons	73,787	(5/87)
72.	Orange County, CA	Times Mirror	72,863	(1/87)
73.	Cleveland Heights, OH	Viacom	71,600	(1/87)
74.	Columbus, OH	Warner	70,984	(6/87)
75.	Medford Complex (Boston Suburbs), MA	Warner	70,659	(6/87)
76.	Fayetteville, NC	ATC	70,136	(3/87)
77.	Omaha, NE	Cox Cable	69,846	(3/87)
78.	Contra Costa Co. CA	Televents	69,474	(4/87)
79.	Harrisburg, PA	Sammons Communications	69,172	(5/87)
80.	Ocean County, NJ	Adelphia	68,851	(4/87)
81.	Little Rock, AR	Storer	68,393	(2/87)
82.	St. Petersburg, FL	Paragon Cable	68,000	(5/87)
83.	Des Moines, IA	Heritage	66,835	(5/87)
84.	Indianapolis,IN	ATC	66,674	(3/87)
85.	Albuquerque, NM	Jones Intercable	66,470	(7/87)
86.	Birmingham, AL	ATC	66,254	(3/87)
87.	Greater Bridgeport, CT	Cablevision Co.	65,800	(5/87)
88.	Lower Fairfield Co., CT	Cablevision Co.	65,600	(5/87)
89.	New Haven, CT	Storer	65,595	(2/87)
90.	El Paso, TX	Group W (ATC)	65,000	(5/87)
91.	Syracuse (suburbs), NY	NewChannels Corp.	64,847	(3/87)
92.	Oklahoma City, OK	Cox Cable	64,444	(3/87)
93.	Winston-Salem, N.C.	Summit	64,072	(4/87)
94.	Monterey, CA	Western Communications	63,815	(4/87)
95.	Sarasota, FL	Storer	63,207	(2/87)
96.	Lincoln, RI	Heritage	63,128	(5/87)
97.	Cook County, IL	Continental	63,000	(4/87)
98.	Madison, WI	Tele-Communications Inc.	63,000	(12/86)
99.	Westchester Co., NY	UA Cablesystems	62,804	(5/87)
100.	Santa Barbara, CA	Cox Cable	62,763	(3/87)

AUGUST 17, 1987

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INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

MTV GOES GLOBAL

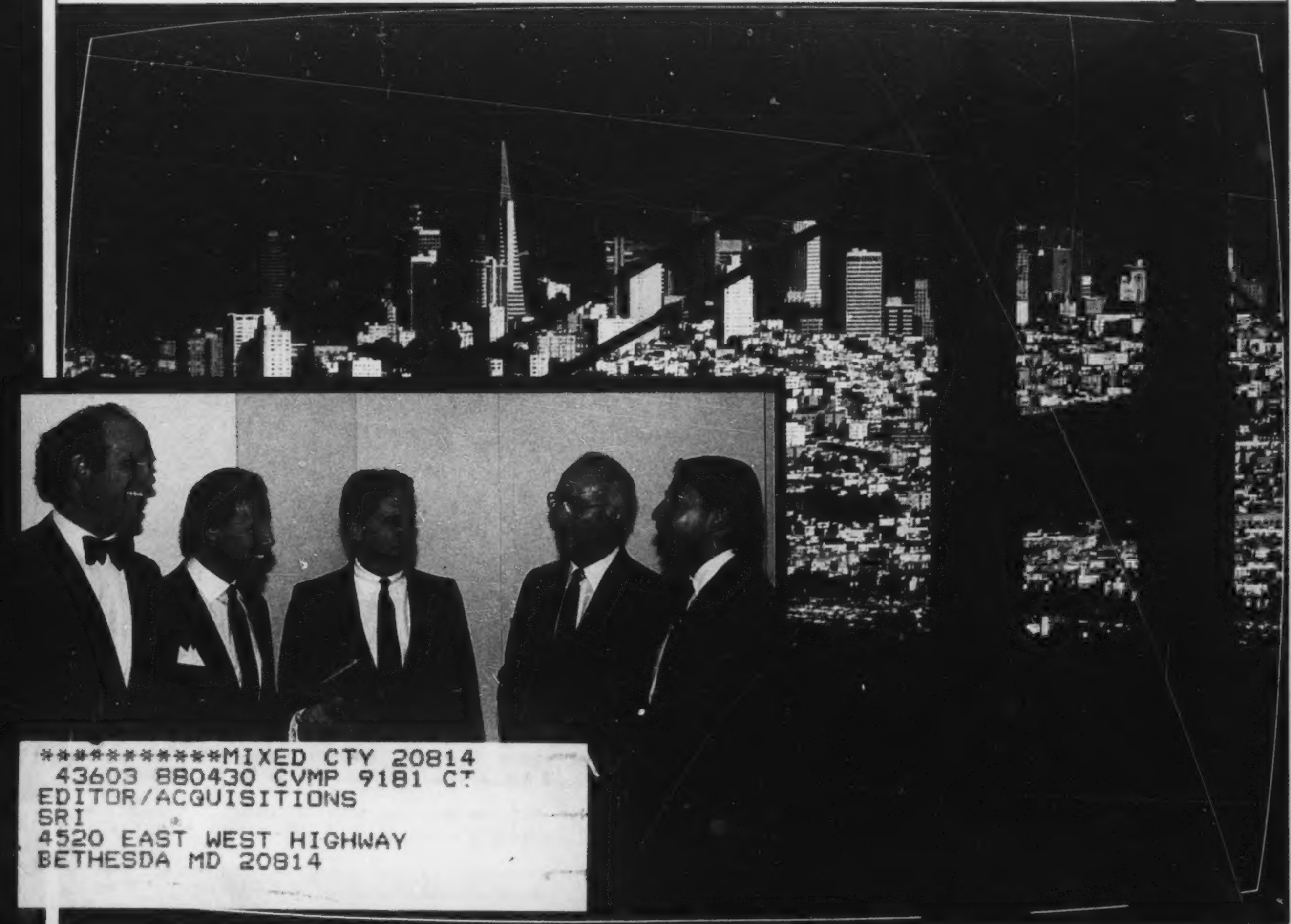
MARKET RESEARCH ENTERS A NEW AGE

REDSTONE AND BIONDI PLOT STRATEGY

$1 BILLION TBS RESTRUCTURING IN PLACE

WHY HOLLYWOOD WON'T RISK PEACE ON COPYRIGHT

CHECKING IN WITH CTAM: MARKETING TAKES THE DRIVER'S SEAT



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FRONT LINE

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Ted Turner is a movie mogul again, but this time it's more of a cat and mouse game as he teams with Hanna-Barbera.

Mooney lashes out at INTV 16
The FCC opens its inquiry into the compulsory license with cable interests and the NAB suggesting that the license remain on the books. But INTV says compulsory licensing should be eliminated for all but local signals, prompting NCTA's Jim Mooney to complain about bad faith.

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Following the annual stockholder's meeting, TBS should have in place by early fall a restructuring package to cover about $1 billion in financing.

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Familiar with these terms? Target marketing, segmentation, geocoding. If not, you're not keeping pace with the new tools of marketing management. Many systems are employing these and other techniques to lift penetration.

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Exclusively on Showtime 68
After the applause died down from the appointment of Winston (Tony) Cox as the new head of Showtime/The Movie Channel, some began wondering if the network's film strategy would change. The answer: not likely.

COVER STORY

CTAM in San Fran 40
"Ninety percent of this game is half mental," Yogi Berra once said about baseball. Transposing that thought to cable, you could say that 90 percent of cable nowadays is marketing, especially after sitting down with the leaders of CTAM to hear where that organization is headed and the challenges it's addressing.

Photo by Candace Drake/
Composition by Don Ruth

Film product comparison-September

Film	Pay Networks					Distributor
9 1/2 Weeks		ST	(TMC)			TBS
About Last Night	HBO				Max	Tri-Star
Agnes of God	*HBO				(Max)	Columbia
Aladdin and His Magic Lamp		ST				J Brenner
Alfie			TMC	(DIS)		Paramount
Aliens	*HBO	(ST)	(TMC)		(MAX)	20th Century-Fox
Almost You	HBO		TMC			20th Century-Fox
American Anthem	*HBO					Columbia
An American in Paris		(ST)		DIS		MGM
Angel and the Badman			(TMC)	(DIS)	*MAX	Hal Roach
Animals are Beautiful People	(HBO)				MAX	Warner Bros
Another Woman's Child	HBO					Televentures
April Fool's Day		(ST)	*TMC			Paramount
Archer				*DIS		New World
Armed and Dangerous					MAX	Columbia
Armed Response	HBO					Cinetel
Awakening, The	HBO					Warner Bros
Baby...Secret of the Lost Legend	(HBO)	(ST)	(TMC)	DIS		Disney
Back to the Future	*HBO	(ST)	(TMC)		(MAX)	Universal
Back to School	(HBO)	(ST)	*TMC		*MAX	Orion
Band of the Hand	*HBO				(MAX)	Tri-Star
Belizaire the Cajun			TMC			New Century
Bells Are Ringing		(ST)	TMC		(MAX)	MGM/UA
Best of Times, The			*TMC			Universal
Betrayed		ST				MGM/UA
Beverly Hills Cop		ST	(TMC)			Paramount
Biggest Bundle of Them All, The					MAX	MGM/UA
Bill Cosby "Himself"		*ST	(TMC)		(MAX)	20th Century-Fox
Billion For Boris, A				*DIS		Film Gallery
Birch Interval	HBO					Vestron
Black and White in Color			*TMC			Centerpoint
Black Venus					MAX	Playboy
Blue City		(ST)	TMC			Paramount
Bolero					MAX	Cannon Films
Born American	HBO		TMC			New Century
Born Free	(HBO)				MAX	Columbia
Bridge on the River Kwai, The	(HBO)		(TMC)	(DIS)	MAX	Columbia
Bridge to Teribethia				*DIS		Wonderworks
Bring on the Girls			TMC			Universal
British Rock the First Wave					MAX	Fox Lorber
Bronco Billy	HBO		(TMC)		(MAX)	Warner Bros
Brothers By Choice				*DIS		Atlantis
Call Me Mister				*DIS		20th Century-Fox
Can You Hear the the Laughter?			*TMC			Viacom
Care Bears II: A New Generation				*DIS		Columbia Pay TV
Certain Fury	(HBO)				MAX	New World
Champagne for Two					MAX	Astral Films
Chautauqua Girl				DIS		Canadian Broadcasting
Chisum			TMC		MAX	Warner Bros
Choose Me		ST	TMC			Lorimar
Christmas Lillies of the Field		ST				Viacom
Class			TMC		MAX	Albacore
Class of Nuke'em High			TMC			Troma
Clockwork Orange A			TMC			Warner Bros
Club Paradise	*HBO					Warner Bros
Comedians, The		ST				MGM/UA
Creator	(HBO)	(ST)	(TMC)		MAX	Universal
Cry Rape!					MAX	Warner Bros
Cut and Run	(HBO)				MAX	New World
Dangerously Close		(ST)	*TMC			Cannon Pay TV
Danny				*DIS		Castle Hill
Dead-End Drive-In					MAX	New World
Deathtrap			*TMC			Warner Bros
Desert Bloom	(HBO)				MAX	Columbia
Diane					MAX	MGM/UA
Dirty Dozen, The			TMC		MAX	MGM/UA
Dog Who Stopped the War, The				DIS		Miramax
Dragonslayer	(HBO)	(ST)	TMC	*DIS		Paramount
Dream Lover	HBO		*TMC		(MAX)	MGM/UA
Dreamchild	HBO					Thorn-Emi
Dresser, The			TMC			Columbia
Duchess of Idaho, The			(TMC)	*DIS		MGM/UA
Echo Park		(ST)	*TMC			Atlantic
Electric Dreams		ST	(TMC)		(MAX)	MGM/UA
Electric Grandmother				DIS		LCA
Eliminators			*TMC			DEG
Elmchanted Forest, The	HBO					Fantasy
Emerald Forest, The		(ST)	TMC			Embassy
Emmanuelle IV		(ST)			MAX	MGM/UA
End of the World Man				*DIS		Miramax
Escape In Florence				*DIS		Disney
Escape to Witch Mountain				*DIS		Disney
Except for Me and Thee		ST				Lorimar
Exorcist, The					*MAX	Warner Bros
Extremities		ST	TMC			Paramount
F/X	HBO		TMC		(MAX)	Orion
Fanny and Alexander			TMC			Embassy
Fast Forward	HBO					Columbia
Flashpoint					MAX	Silver Screen
Flight of the Navigator				*DIS		Disney
Fly, The	HBO	ST	TMC		MAX	20th Century-Fox
Fool For Love		ST	(TMC)			Cannon
For Heaven's Sake		ST	(TMC)			Viacom
Funeral In Berlin			TMC			Paramount
Game of Death	(HBO)				MAX	Columbia
Gig, The	HBO				(MAX)	Castle Hill
Girl Happy		ST				MGM/UA
Girl on the Edge of Town	HBO					Orbis
Gold of Naples, The		ST	(TMC)			DEG
Goodbye,Mr. Chips			TMC			MGM/UA
Grand Prix					MAX	MGM/UA
Great Bank Hoax, The					MAX	Warner Bros.
Great Love Experiment	HBO					Scholastic
Groove Tube, The					MAX	Pickman Film
Half Moon Street			TMC			Presser
Happy Hooker Goes Hollywood, The		(ST)	TMC			Cannon Pay TV
Happy Hooker Goes to Washington,The		(ST)	*TMC			Cannon Pay TV
Hardbodies	(HBO)	ST				Columbia
Hasty Heart, The		ST				Warner Bros
Head Office	(HBO)				MAX	Silver Screen
Heated Vengeance	(HBO)		(TMC)		MAX	Media Home Ent.
Hero Ain't Nothin' But A Sandwich	HBO					UPA Productions
Hey There,It's Yogi Bear				DIS		Clubhouse Pictures
Hideaways, The		ST				Telepictures
Hit, The			TMC		MAX	Columbia
Hitcher, The	(HBO)				MAX	Silver Screen
Hoboken Chicken Emergency, The				DIS		Wonderworks
Hollywood Ghost Stories			TMC		MAX	Castle Hill
Hollywood Knights, The	(HBO)				MAX	Columbia
Hot Millions		(ST)		*DIS	(MAX)	MGM/UA
House of the Long Shadows			TMC			Viacom
How the West Was Won					MAX	MGM/UA
How to be a Perfect Person in Just Three Days				*DIS		Wonderworks
Hurry Sundown					MAX	Paramount
I Confess		(ST)	TMC			Warner Bros
I Love You Alice B. Toklas					MAX	Warner Bros.
I, Desire	HBO					Columbia
If Ever I See You Again					MAX	Columbia
Illegal		ST				MGM/UA
In Search of the Golden Sky	HBO					TMS Pictures
Invitation to Dance		ST				MGM/UA
Iron Mistress, The		ST	(TMC)		(MAX)	Warner Bros.
It's Not the Size That Counts		*ST				J. Brenner
Ivanhoe					MAX	Columbia
Jagged Edge	HBO					Columbus
Jake Speed	*HBO				(MAX)	New World
Jean Sheperd's Phantom of the Open Hearth				*DIS		WGBH Boston
Jesus			*TMC			Warner Bros
Jo Jo Dancer Your Life is Calling	HBO				(MAX)	Columbia
Joy of Sex		ST				Paramount
Just Between Friends	HBO		(TMC)			Orion
Katy				DIS		Kodiak FIlms
Kid Colter	(HBO)	ST				The Movie Store
Killer Party					MAX	MGM/UA
King of the City		(ST)	TMC			Lorimar
Kiss of the Spider Woman		(ST)	*TMC			Embassy
Krush Groove	HBO				(MAX)	Warner Bros
Ladies Man, The					MAX	Paramount

Film	Pay Networks					Distributor
Lady L		ST				MGM/UA
Laura		ST				Group Films
Legal Eagles	HBO	ST				Universal
Let Us Live					MAX	Columbia
Light Blast			TMC			Lorimar
Lion of Africa, The	*HBO					Luger
Littlest Outlaw,The				DIS		Walt Disney Company
Long Gone	*HBO					Landsburg
Lots of Luck				*DIS		Disney
Lucas	(HBO)		*TMC		(MAX)	20th Century-Fox
Lust in the Dust					MAX	New World
Malibu Express		(ST)	TMC		(MAX)	W.P.Donnelly
Man With One Red Shoe	HBO	(ST)	(TMC)		(MAX)	20th Century-Fox
Mandela	HBO					Titus
Manhattan Project,The	*HBO	(ST)	(TMC)			20th Century-Fox
Manhunter		*ST				DEG
Marlowe		(ST)			MAX	MGM/UA
Maryland				*DIS		20th Century-Fox
Mask	(HBO)		TMC		(MAX)	Universal
Maxie	HBO				(MAX)	Orion
Meet Me After the Show				*DIS		20th Century-Fox
Misadventures of Merlin Jones				*DIS		Disney
Missing in Action					MAX	Cannon Films
Misunderstood			*TMC		(MAX)	MGM/UA
Molly Maguires, The			TMC		(MAX)	Paramount
Money Pit, The	*HBO	(ST)	(TMC)		(MAX)	Universal
Morons From Outer Space	HBO				(MAX)	Thorn-Emi
Mr. Love	HBO				(MAX)	Warner Bros.
Mrs. Barrington		*ST				Film Gallery
Murphy's Romance	(HBO)				MAX	Columbia
Mussolini: The Decline and Fall	HBO					Rai Radio
My American Cousin		*ST			(MAX)	Ind. Prod.
New Maverick, The					MAX	Warner Bros.
Night in Heaven,A					MAX	20th Century-Fox
Night of the Creeps	HBO					Universal
Night Shift			TMC		(MAX)	Warner Bros.
Nights in White Satin	HBO					Fox Lorber
Ninja III The Domination	(HBO)				MAX	Cannon Films
Nobody's Fool		*ST				Lorimar
Nomads		(ST)	*TMC			Atlantic
Nothing But The Truth			TMC			Universal
Nothing in Common	*HBO				(MAX)	Tri-Star
O.Henry's Full House			(TMC)	*DIS		20th Century-Fox
Old Enough	HBO					Film Gallery
Oliver's Story					MAX	Paramount
On The Edge	(HBO)				MAX	Skouras Pics
One Eyed Jacks			TMC			Paramount
One of Our Dinosaurs is Missing				DIS		Walt Disney Company
Only When I Laugh					MAX	Columbia
Out of Africa		ST	(TMC)		(MAX)	Universal
Over the Moon				DIS		Samuel Goldwyn
Pale Rider	(HBO)	(ST)	TMC		(MAX)	Warner Bros
Park is Mine, The	HBO					Astral
Parting Glances			TMC		(MAX)	Cinecom
Patch of BLue,A		ST			MAX	MGM/UA
Peep Show		*ST				Film Gallery
Perfect Timing		ST	(TMC)		(MAX)	Film Gallery
Period of Adjustment		ST			MAX	MGM/UA
Perri				*DIS		Disney
Pirates of Tortuga, The				*DIS		20th Century-Fox
Platypus Cove		(ST)	TMC	(DIS)		Miramax
Players	HBO					Paramount
POW The Escape		*ST	(TMC)			Cannon
Pray For Death	HBO				(MAX)	Pray Dall
President's Analyst,The					MAX	Paramount
Pretty in Pink			*TMC			Paramount
Prizzi's Honor	(HBO)	*ST	(TMC)			Universal
Protector, The	HBO				(MAX)	Warner Bros
Purple Hearts			*TMC		(MAX)	Warner Bros
Quarterback Princess					MAX	Televentures
Quicksilver	HBO				(MAX)	Columbia
Rage			*TMC			Warner Bros
Rappin'	HBO					Cannon
Re-Animator	HBO		(TMC)		(MAX)	Vestron
Rebel Love			TMC			Troma
Red Badge of Courage		(ST)		DIS	MAX	MGM/UA
Red Fury, The				DIS		Dayton Stewart
Reform School Girls					MAX	New World
Remo Williams The Adventure Begins	HBO				(MAX)	Orion
Reprisal!					MAX	Columbia
Restless Natives					MAX	Thorn-Emi
Return of the Jedi	HBO	ST			(MAX)	Lucasfilm LTD
Richard Pryor: Here & Now	(HBO)				MAX	Columbia
Right Of Way	HBO					Karpf Sch
Road Warrior, The	HBO	(ST)	*TMC		(MAX)	Warner Bros
Rock and Rule		ST				MGM/UA
Rose Cafe, The					MAX	Astral Films
Running Brave	*HBO					Disney
Running Scared	*HBO					MGM/UA
Ruthless People		*ST	*TMC			Touchstone
Scanners					MAX	Mutual Films
Seance on a Wet Afternoon			*TMC			New Century
Seven Brides for Seven Brothers		(ST)	*TMC	(DIS)	(MAX)	MGM/UA
Shadow Play	HBO					New World
Shanghai Surprise					MAX	MGM/UA
She's Working Her Way Through College			TMC			Warner Bros
Sherlock Holmes and the Secret Weapon					MAX	Hal Roach
Short Circuit	(HBO)				*MAX	Tri-Star
Showboat			TMC		MAX	MGM/UA
Sidekicks			*TMC			Warner Bros
Sleepaway Camp	HBO		(TMC)			Sleepaway
Slender Thread, The					MAX	Paramount
Slugger's Wife, The	HBO					Columbia
Some Kind Of Hero					MAX	Paramount
Soupman	HBO					Orbis
Spacecamp	*HBO					ABC
Spaceman in King Arthur's Court,A				DIS		Disney
Sphinx	HBO				(MAX)	Warner Bros
Stalag 17					MAX	Paramount
Start the Revolution Without Me			*TMC			Warner Bros.
Stewardess School					MAX	Columbia
Stitches	(HBO)				MAX	R.P.Marcucci
Story of Will Rogers		ST	TMC		(MAX)	Warner Bros
Strange Invaders			TMC		MAX	Orion
Street Walkin'		(ST)	TMC		(MAX)	Swank
Stripper		ST			(MAX)	20th Century-Fox
Stud, The		ST				Telepictures
Submission		*ST				U.S.Media
Summer of '42			TMC			Warner Bros
Superfly					MAX	Warner Bros
Swallows and Amazons Forever: The Big Six				*DIS		Primetime Ent
Sweet Liberty	(HBO)	(ST)	TMC		MAX	Universal
Teacher,Teacher		ST				Henry Jaffe
Teachers		ST	TMC		MAX	MGM/UA
Terror By Night					MAX	Hal Roach
Test of Love,A	*HBO					Universal
Texas Chainsaw Massacre Part 2		ST				Cannon
The Frog Prince	HBO					Henson
These Thousand Hills				*DIS		20th Century-Fox
Those Glory,Glory Days		(ST)	(TMC)	*DIS		Film Gallery
Three Men in a Cradle					MAX	S.Goldwyn
Thunder Alley	HBO	ST			(MAX)	Cannon
Thunder in the Valley				DIS		20th Century-Fox
To Live and Die in L.A.	(HBO)				MAX	MGM/UA
Topper Takes a Trip				DIS		Hal Roach Studios
Torment	HBO				(MAX)	New World
Tough Guys		ST	TMC			Touchstone
Trading Places		ST				Paramount
Trenchcoat	HBO			(DIS)	(MAX)	Disney
Tribute	*HBO					Kudos
Trip to Bountiful,The		(ST)	TMC			Embassy
Trouble in Mind					MAX	Alive Ent
Truth about Alex,The	HBO					Scholastic
Turning Point, The		*ST	(TMC)		(MAX)	20th Century-Fox
Turtle Diary			(TMC)	DIS	(MAX)	S.Goldwyn Company
Under the Rainbow					MAX	Warner Bros
Vals, The					MAX	Simcom
Victory	HBO					Lorimar
Vindicator,The	HBO				(MAX)	20th Century-Fox
Warning Sign		ST				20th Century-Fox
Wetherby			TMC			MGM/UA
White Knights					*MAX	Columbia
Whoopee Boys,The		ST				Paramount
Wild Geese II	HBO					Thorn-Emi
Yellowbeard	HBO	*ST	(TMC)			Orion
Young Man With A Horn		(ST)	TMC		(MAX)	Warner Bros.
Youngblood	HBO				(MAX)	MGM/UA

Cable Network Legend

HBO—Home Box Office

ST—Showtime

TMC—The Movie Channel

DIS—The Disney Channel

MAX—Cinemax

- Networks in parentheses indicate carriage in April, May, June, July and/or August. An asterisk indicates the film is a carry-over from April, May, June, July and/or August.
- In total, 306 films appear on the September schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 13 have played on four of the five services, 30 have played on three, and 81 have played on two of the five services. One hundred and seventy titles on the September schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles is Warner Bros. with 33, MGM/UA with 32, Columbia with 24, Paramount with 20, 20th Century-Fox with 18, Universal with 12, and Orion with 6.

Officials suspect hidden agenda by studios

Hollywood seen wanting more than copyright reform to ensure peace

By John Wolfe

Barely 18 months ago, copyright reform negotiations between the National Cable Television Association and the Motion Picture Association of America abruptly broke off when MPAA President Jack Valenti insisted that any deal include a sunset of cable's compulsory license to retransmit broadcast signals.

Now, both sides are again at the table. NCTA President James Mooney and Valenti have met three times for "informal" discussions, and have agreed to continue talking. And the cable industry, according to most insiders, now is willing to demonstrate some flexibility and discuss possible changes to the compulsory license.

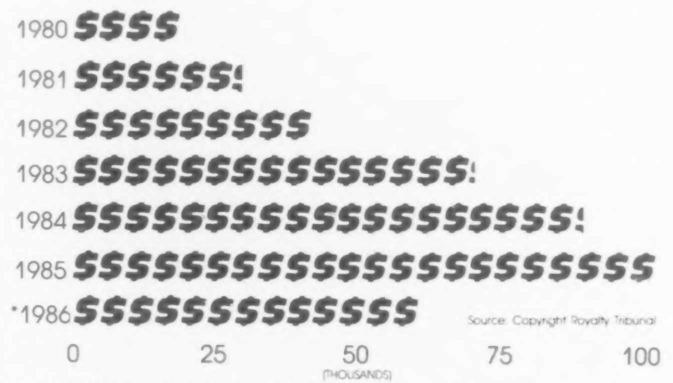
But the prospects for meaningful copyright negotiations remain bleak, sources say, because Hollywood may not be willing to trade copyright reform for a larger agenda: persuading the government to shackle cable's growth and power as a producer and distributor of video product.

The copyright question, which had been a "major battle" between cable and Hollywood, now has become "but a skirmish in the face of larger issues" between the two industries, one Washington insider observed. As a result, peace with cable on those other issues may be too high a price for Hollywood to pay merely for copyright reform.

Before Valenti and Mooney terminated their talks in early 1986, both industries had been on the brink of a comprehensive copyright reform package based on a flat monthly fee for larger cable systems of about 12 cents per subscriber per distant signal equivilant. The flat fee approach would have replaced the Copyright Royalty Tribunal's current method of basing fees for distant signals on a percentage of a system's gross receipts.

That plan was scuttled when cable and Hollywood reached their current impasse over the compulsory license. The intervening 18 months, however, have seen not only an escalation of rhetoric between the two industries, but also the emergence of several trends which indicate that for a large part of the cable industry, the deep dependence on the compulsory license to import distant broadcast signals may be waning.

Money in...



Source: Copyright Royalty Tribunal

*Note: the 1986 figure is the first year adjusted for Judge June Green's decision that cable operators had been paying too much to retransmit distant broadcast signals. Steve knows all about this one

"I don't think anybody in the cable industry seriously expects that the compulsory license for distant signals will last forever," observes Steve Effros, president of the Community Antenna Television Association. "We're all going beyond that," Effros said. "You leave it alone, and it will go away by itself."

Many industry observers predict that cable's well-publicized push for cable-exclusive "punch-through" programming, coupled with growing operator investment in basic networks, eventually will make distant signals—especially superstations—much less crucial to operators. And as the reliance on distant broadcast signals fades, so too will the importance of the compulsory license.

Indeed, major industry players, such as Tele-Communications Inc. President John Malone, have indicated a willingness to consider changes in the compulsory license for distant signals. Malone and other cable officials involved in the bail-out of Turner Broadcasting System have speculated recently that Turner superstation WTBS could eventually be converted into a copyright-paying basic cable network.

Such a move likely would force operators to pay more for WTBS, but it would also allow them to sell local ads on one of the most popular basic networks. It would also further lessen the importance of the compulsory license, several sources noted.

Also, the recent rash of new cable networks, many funded by operator seed money, has helped place a premium on shelf space at many cable systems. A drastic reduction in the amount of distant signals carried, while likely to cause subscriber disgruntlement, would also open a path for new networks to reach the home. "That quest is not aided by a preponderance of distant signals," one broadcasting executive wryly noted.

Reform advocates

To copyright reform advocates, such as Cablevision Systems Corp. Chairman Charles Dolan, the trends "suggest that the industry is better able to support its own programming needs, and doesn't need to borrow from broadcasting."

According to Dolan, the time to demonstrate flexibility concerning the compulsory license has arrived. "The idea that we would insist in perpetuity that we would need a compulsory license at all costs," he argues, "is not in our best interests."

Continued from page 62

But Dolan and other industry officials stress that while the trends may point toward a gradual shift away from a reliance on distant signals, no industry consensus has developed yet which would back any changes in the compulsory license. "There is still a great concern in the industry about perpetuating the compulsory license," Dolan observes. "I haven't seen any real movement."

One cable industry official in Washington notes that any changes in the right to import distant signals likely will meet stiff resistance from small, rural operators. The industry has demonstrated flexibility on the compulsory license, he says, "but my guess is that there is less (flexibility) than it appears."

Jim Mooney

Jack Valenti

The effort to hammer out an industry consensus on copyright will be a slow process, taking place "over the next couple of months—or years," predicts Jim Cownie, NCTA chairman and president of Heritage's Telecommunications Group. The NCTA board of directors, Cownie says, has chosen "the bluest of blue-ribbon committees," chaired by Continental Cablevision Chairman Bud Hostetter, to explore the issue. Hostetter ould not be reached for comment.

CATA will devote much of its board meeting later this month to copyright issues. "The compulsory license as we know it today has a limited lifespan," Effros predicts, noting that it is already becoming less important in the major markets. "But that's not true in the smaller markets," he quickly adds.

Although no consensus has emerged, it is becoming apparent that only the compulsory license for distant signals in major markets is negotiable. The cable industry, Effros says, will not accept "draconian" changes in its copyright status.

Local signal licenses

"There will still have to be a compulsory license for local signals," Effros says. That point has been echoed by the broadcasting industry, which has loudly protested cable's right to import distant signals. For example, the Association of Independent Television Stations' position is that the compulsory license should be retained—but only for an "expanded universe of local stations," according to INTV President Preston Padden.

Small operators in rural markets also need the compulsory license, since those systems typically rely more heavily on imported distant signals. "I don't think there will be any serious argument against a compulsory license for distant signals outside the major markets," Effros maintains. Bob Thomson, TCI vice president of government affairs, adds another condition: protection for "regionally important" distant signals.

The task of copyright reform was made more problematic by the July 31, 1986, decision by U.S. District Court Judge June Green, who ruled that cable operators need not calculate royalty payments from revenues which were not directly attributable to the carriage of broadcast signals. That decision, according to most estimates, slashed the copyright payments of a typical cable operator from 45 percent to 60 percent per year. In 1985, for example, the industry paid more than $103 million to copyright owners; in 1986, based on Green's decision, copyright payments totalled only $58.8 million.

The copyright compromise nearly reached in January 1986 would have been "revenue neutral," using the 1985 figures as a benchmark. Now, however, it may be more difficult to get cable operators to agree to a royalty pool that large, observers note.

Rhetoric wars

"We had a perfect situation 18 months ago," Effros explains. "All the parties were in relatively equal bargaining positions, and it gave a good impetus to reach an agreement." But that all changed, he adds, when MPAA's Valenti chose to "go on the offensive against cable."

Indeed, it was shortly after the collapse of the copyright talks that Valenti launched his "war on all fronts" against the cable industry. And due at least in part to his efforts, the Federal Communications Commission may consider the policy ramifications of cable concentration, Congress will

...Money out

	1980	1981	1982	1983	1984	1985
MPAA	$13,480,491	$20,885,117	$27,702,309	$47,798,235	$58,398,484	$82,012,906
Multimedia	223,975	344,852	284,126	486,744	489,249	687,085
NAB	1,011,884	1,557,990	2,053,833	4,016,398	4,834,111	5,676,746
SIN	97,989	150,873	198,888	0	0	0
Joint Sports	2,999,650	4,618,535	6,088,414	11,860,298	14,450,099	15,011,673
PBS	1,049,887	1,616,501	2,129,854	3,772,083	4,595,750	3,493,367
Music	849,907	1,308,595	1,725,056	3,264,302	3,977,091	5,078,204*
Devotional	149,990	230,938	410,005	797,941	972,178	911,598**
Canadian	70,239	108,146	304,429	544,050	662,849	561,390

* 1 percent not distributed ** Not distributed

Source: Copyright Royalty Tribunal

Court asked to affirm fee allocation ruling

WASHINGTON—The National Cable Television Association has urged the U.S. Court of Appeals here to uphold a lower court decision requiring cable operators to compute copyright payments for broadcast signals based solely on revenues directly attributable to broadcast retransmission. That decision by U.S. District Court Judge June Green effectively cut cable's copyright payments in half.

The controversy stems from a suit filed by Cablevision Systems Corp. which challenged the U.S. Copyright Office's interpretation that under the compulsory license, cable operators must pay royalties based on the gross receipts from all tiers which include one or more retransmitted broadcast signals. NCTA intervened, claiming that royalties should be derived from revenues reasonably attributed to broadcast station carriage.

Green endorsed NCTA's position, ruling on July 31, 1986, that a policy requiring cable systems to pay royalties based on both broadcast and non-broadcast programming constituted an "inequitable double payment" to copyright owners. That ruling slashed cable copyright payments from a record high of $103.4 million in 1985 to $58.8 million in 1986. Not suprisingly, MPAA and its member studios appealed.

Green also ordered the Copyright Office to amend its definition of "gross receipts" to comply with her interpretation. The Copyright Office, however, has joined MPAA's appeal and has not yet changed its rules.

In its brief supporting Green, NCTA argued that when Congress included the compulsory license as part of the 1976 Copyright Act, it intended for cable to pay royalties "only on the basis of cable receipts for the carriage of broadcast signals." The fact that cable copyright payments have been reduced, NCTA said, is also consistent with congressional intent.

The revenue figures intended by Congress, NCTA claimed, were based on the value to the cable industry of retransmitting broadcast programming. And while total cable revenues have increased substantially since the Copyright Act was enacted, "the relative importance of broadcast retransmission in creating that revenue has declined dramatically," NCTA told the court, "as the number of nonbroadcast satellite networks available to cable has expanded."

NCTA also disputed MPAA's assertion that cable operators could avoid copyright payments for non-broadcast programming by marketing that product on a separate tier. "Congress did not intend," the association asserted, "that the only alternative to a double payment be an unacceptable marketing practice."

In its filing, Cablevision claimed Congress intended operators to pay royalties from revenues only attributable to basic. In the Copyright Act, "Congress explicitly equated the term 'basic service' not with the carriage of all broadcast signals," Cablevision argued, "but with the 'minimum service'" tier offered to all subscribers.

In 1979, Cablevision had split its offering of broadcast signals, keeping all local stations on its basic tier and packaging distant signals and basic networks on an optional tier. The MSO then computed royalties for those distant signals based on revenues from its lowest tier.

MPAA, claiming that Cablevision intentionally split its tiers to reduce its copyright obligation, filed suit for copyright infringement. That claim, however, was dismissed by Green as part of her July 1986 ruling.

Continued from page 64

hold broad oversight hearings on cable deregulation this fall, and many regulators and legislators appear sympathetic toward creating competition for local cable operators.

It was against the backdrop of political pressure on a host of policy fronts, observers note, that NCTA this summer chose to re-open the copyright dialogue with Valenti. A chief objective of the discussions, industry officials have maintained, was to end the inter-industry rhetorical warfare.

In order for cable to sign off on any modifications to the compulsory license, one industry insider claims, Hollywood "has to offer peace."

However, indications are that peace with Hollywood on issues ranging from cable concentration to control of programming outlets to a lack of head-to-head competition between operators may not be negotiable. "There really are two issues," one top-level studio executive says. "One is copyright." The other? "Each cable operator is the gatekeeper," the executive claims, "and if you want to gain access to the market, you have to go through cable."

And ironically, cable's evolution into an industry less dependent on distant broadcast signals may also hamper chances for copyright reform. "What's going to happen," one insider predicts, "is that the motion picture industry is going to realize that cable isn't really giving up anything" by surrendering the compulsory license.

Hollywood's long-term concerns over cable's growing market power—sparked by the increasing influence wielded by the largest MSOs—now may outweigh the potential short-term economic benefits the studios would reap from copyright reform, sources observe. And on those issues, some officials claim, MPAA may find that its best bet to check cable's growing strength may lie in continued hostilities in Washington.

"I have not discerned any move toward compromise" by MPAA, one broadcast industry lobbyist says. "I would expect a rather prolonged period of conflict which transcends the compulsory license."

Indeed, one indication of the depth of MPAA's concern was the organization's recent decision to back S.889, legislation in the Senate which would mandate third-party access to scrambled satellite programming. MPAA previously had opposed the bill, and the reversal, one MPAA official notes, indicates how seriously Hollywood views the cable competition issue.

At the root of the motion picture community's concern, apparently, is a perception that program producers eventually will be forced to deal with cable in some fashion in order to reach the home.

"If you're a motion picture producer and you sell a product to a broadcast station, you're no longer certain that it will reach its intended audience," one industry executive explains. "If you sell to a cable network, you probably have to go through operators. It's the same with the backyard dish market."

Hollywood's anti-cable actions in Washington, the executive adds, "is all part of a continuum which is getting at some type of competition" for cable.

As a result, many Washington observers now predict that Hollywood will not risk peace with cable solely for copyright reform, even though many cable executives claim peace on other fronts is a precondition for any compulsory license changes. "The level of concern, as reflected in the level of rhetoric, has gone way beyond posturing," one Hollywood lobbyist says. ■

CABLE STATS

Cable services subscriber count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	319	5,805,477
Alternate View Network	238	2,770,000
Arts & Entertainment (A&E)	2,400	24,000,000
Black Entertainment Television (BET)	912	14,900,000
CBN Cable Network	7,710	36,708,000
C-SPAN	2,600	31,000,000
C-SPAN II	420	11,600,000
Cable News Network (CNN)	10,944	41,078,000
Cable Value Network	125	17,733,011
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	470	6,700,000
The Discovery Channel	1,909	20,400,000
ESPN	17,000	43,700,000
Eternal Word Television Network (EWTN)	373	6,800,000
Financial News Network (FNN)	1,650	26,100,000
FNN/Score	1,080	19,800,000
FNN/TelShop	700	11,000,000
GalaVision	288	900,000
Gospel Music Network	31	744,447
Headline News	3,265	26,220,000
Hit Video USA	41	1,700,000
Home Shopping Network	1,036	14,182,185
Home Shopping Network 2	229	5,524,000
International Television Network	55	7,000,000
The Inspirational Network	1,300	13,300,000
The Learning Channel	900	9,024,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,400	33,000,000
The Motivation Network	7	242,900
Music Television (MTV)	4,709	33,400,000
The Nashville Network	4,800	33,500,000
National Jewish Television (NJTV)	295	6,800,000
National Shopping Club	65	1,500,000
Nickelodeon	5,005	31,700,000
The Nostalgia Channel	215	1,200,000
Ozark Mountain Network	N/A	N/A
QVC Network	531	8,853,000
Silent Network	300	9,134,016
Sky Merchant	12	600,000
Tempo Television	665	12,500,000
The Travel Channel	120	6,000,000
Trinity Broadcasting Network	523	7,073,000
USA Network	9,200	39,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	60	23,000,000
The Weather Channel	2,750	28,151,540
WGN-TV	10,061	22,481,000
WOR-TV	2,162	9,258,590
WPIX-TV	347	2,471,000
WTBS-TV	11,991	41,952,000

Pay services

American Movie Classics	1,000	6,000,000
Bravo	300	450,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Festival	N/A	N/A
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	600	550,000
Showtime	3 200	5,400,000

Audio services

Cable Radio Network	34	1,630,000
JazzAmerica	N/A	N/A
KKGO Super Jazz	15	123,560
Moody Bible Institute	59	868,516
National Black Network	N/A	N/A
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,273
Seeburg Lifestyle Adult Contemporary	25	536,227
Tempo Sound	300	1,000,000
WFMT Chicago	168	1,343,000

Text services

AP News Cable	185	2,500,000
AP Business Plus	54	1,400,000
AP Business Watch	20	500,000
AP News Plus	75	2,100,000
Cable SportsTracker	34	2,332,000

Basic services	Affiliates	Subscribers
DBC/MarketWatch	240	5,000,000
Electronic Program Guide (EPG)	407	7,042,000
EPG Jr.	114	124,786
Genesis Cable Storytime	35	1,350,000
Reuters News View	127	2,437,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000
X*Press Exchange	200	1,000,006

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	170	6,500,000
Fuji Network	3	12,000
Nippon Golden Network	3	12,000
Telaction	N/A	N/A
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	156,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	36	1,275,174
The Ecumenical Channel	12	170,000
KTVT	209	1,891,000
Life Newsvision	35	50,000
Madison Square Garden	90	2,015,000
Meadows Racing Network	14	446,000
News 12 Long Island	7	500,000
Prime Cable	8	325,865
Prime Ticket	30	1,600,000
SportsVision (Chicago)	45	939,400

Pay services

Dodgervision	44	935,000
Giantsvision	38	1,000,000
Home Sports Entertainment—Houston/Dallas	119	216,000
Home Team Sports	100	600,000
New England Sports Network	159	181,482
PRISM-Philadelphia	86	379,004
Pro-Am Sports	120	115,000
SportsChannel (New England)	140	710,000
SportsChannel (New York)	77	842,000
Z Channel	21	84,000

Announced services

Satellite-fed services	Expected launch
Americana Network	2nd Quarter 1988
American Catalog Network	3rd Quarter 1987
Apollo Entertainment Television	TBA
Comedy Television	2nd Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
The Fashion Channel	8/87
International Cablecasting's Cable Radio Network	9/87
Movietime	7/87
Pay Per View Partners	4th Quarter 1987
The Preview Network	4th Quarter 1987
Television Catalog	1st Quarter 1988
Tunnelvision	10/87
United Shoppers of America	9/87
Vacation Travel Network	4th Quarter 1987
World Travel Network	4th Quarter 1987
You TV	1/88

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

N/A denotes information not available. TBA denotes to be announced.

PARTING WORDS

Public TV's fading image

For cable operators who have had carriage and/or channel position disputes with public TV stations, this probably falls under the category of suspicions confirmed: "It is a billion-dollar-a-year enterprise that seems permanently in danger of financial collapse. It employs almost 10,000 people at more than 300 stations nationwide, but seldom gets more than 3 percent of the television audience."

"It," of course, is the U.S. public television system, and *TV Guide*, after four months probing and interviewing "close to six dozen sources," has concluded that public television is in trouble. "Can it survive?" *TV Guide* asks archly.

There are many reasons why public TV is in trouble, and cable is one of them, *TV Guide* says. "A decade ago, public television enjoyed a virtual monopoly on the nation's cultural programming. That is not true today." The general manager of a Chicago PTV station is quoted as saying "What once was ours is no longer ours. We now compete with cable and with high-quality independent stations both for programming and for audience."

One of the most stunning revelations in the *TV Guide* article concerns how much—or how little, actually—money that public television spends on program production and acquisition. Of the $173 million that the Corporation for Public Broadcasting (PTV's funding arm) received from all sources in 1985, only $29 million—less than 17 percent went directly into programming, *TV Guide* says.

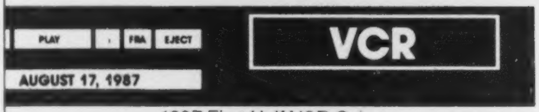
How much does the cable industry spend on programming? Roughly the same percentage, as it turns out: Upwards of $2 billion out of a total of about $11 billion in annual revenues. But that's an apple-and-oranges comparison because public television has no need of a hard-wire distribution system, it pays no franchise fees and doesn't employ CSRs.

A Comment:

Even cable partisans cannot take much joy from seeing their PTV bretheren so publicly skewered. Since cable is being fingered as part of the problem, could not Congress put the arm on cable to solve PTV's funding problem? Odder things have happened.

PLAY
FRA
EJECT
AUGUST 17, 1987
VCR

1986 First Half VCR Sales:
5,975,242



1987 First Half VCR Sales:
5,690,707

Overall VCR sales were dragged into the negative for the first time this year by weak June sales of 1,019,954, down 3 percent compared to June 1986, EIA figures show.

VCR craze unreeling

Everything that goes up must come down, apparently even VCR sales as well as tape sales and rentals.

"VCR Sales Take First Big Drop," reads the headline in *Variety* in a story reporting Electronic Industries Association figures showing dealers sold 5,690,707 machines in the first half of this year, off 5 percent from a year ago. "It's the first time since the infant days of the homevid business VCR sales have been down over such an extended period," *Variety* observed.

And another *Variety* story in the same issue notes that tape sales recently have been less than red hot: "While the 'A' business (blockbuster titles) hasn't wilted over the summer, some distribs say the 'B' films and catalog segments of the industry—wobbly at best over the past couple of years—went into an alarming tailspin over the summer."

This can't rightly be judged as a trend, though, until another shoe drops. And drop it did with a *Business Week* feature last month entitled "Hollywood's Video Boom is Stuck on Pause." Only three years after the cassette business began adding $2 billion a year in revenues to Hollywood coffers, *Business Week* said, "a shakeout has begun."

"Retailers have already seen sales slow for (VCRs), even though prices have dropped," *Business Week* reported. "And people who now buy VCRs seem more prone to record TV or cable offerings than buy or rent prerecorded tapes."

Studios nowadays are forced into extensive—and expensive—campaigns to move merchandise in a tougher market. Walt Disney will spend $3 million for TV ads to market a series of five half-hour cartoon tapes, the magazine noted.

But if the VCR juggernaut is slowing down, does it necessarily follow that the cable business is taking off again? One need only flip a few more pages into the same *Business Week* issue to hear, in a sidebar to a cover story on the resurgent fortunes of Time Inc., Michael Fuchs crow that "HBO is back."

HBO is "on its way to being boffo again," as the headline indicates, because "videophiles... are tired of the trek to rent cassettes but still want good shows to tape."

A Comment:

While the poor VCR sales and tape rental numbers may be just a blip on the screen, they may well make studio heads sit up and listen to entreaties from cable programmers for a better product window. And while a 5 percent drop in VCR sales may seem small, consider that the difference is enough to supply a machine to every man, woman and child in a city the size of Sacramento, Calif.

They said it

- **"I don't see the power (TCI) is meant to have. Maybe it's different looking from the inside out, but I don't see the power of the Death Star."**

—Stewart Blair, speaking about the supposed clout TCI wields in programming

- **"We're analyzing which of the fast foods would be most adviseable. You need to keep the cleanliness of the eater and your theaters in mind."**

—Allen Pinsker, United Artists theater president, discussing plans for instituting food courts in the company's theaters

C4722-2
8/31/87

AUGUST 31, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

ESPN TACKLES AN 8.9 NFL RATING

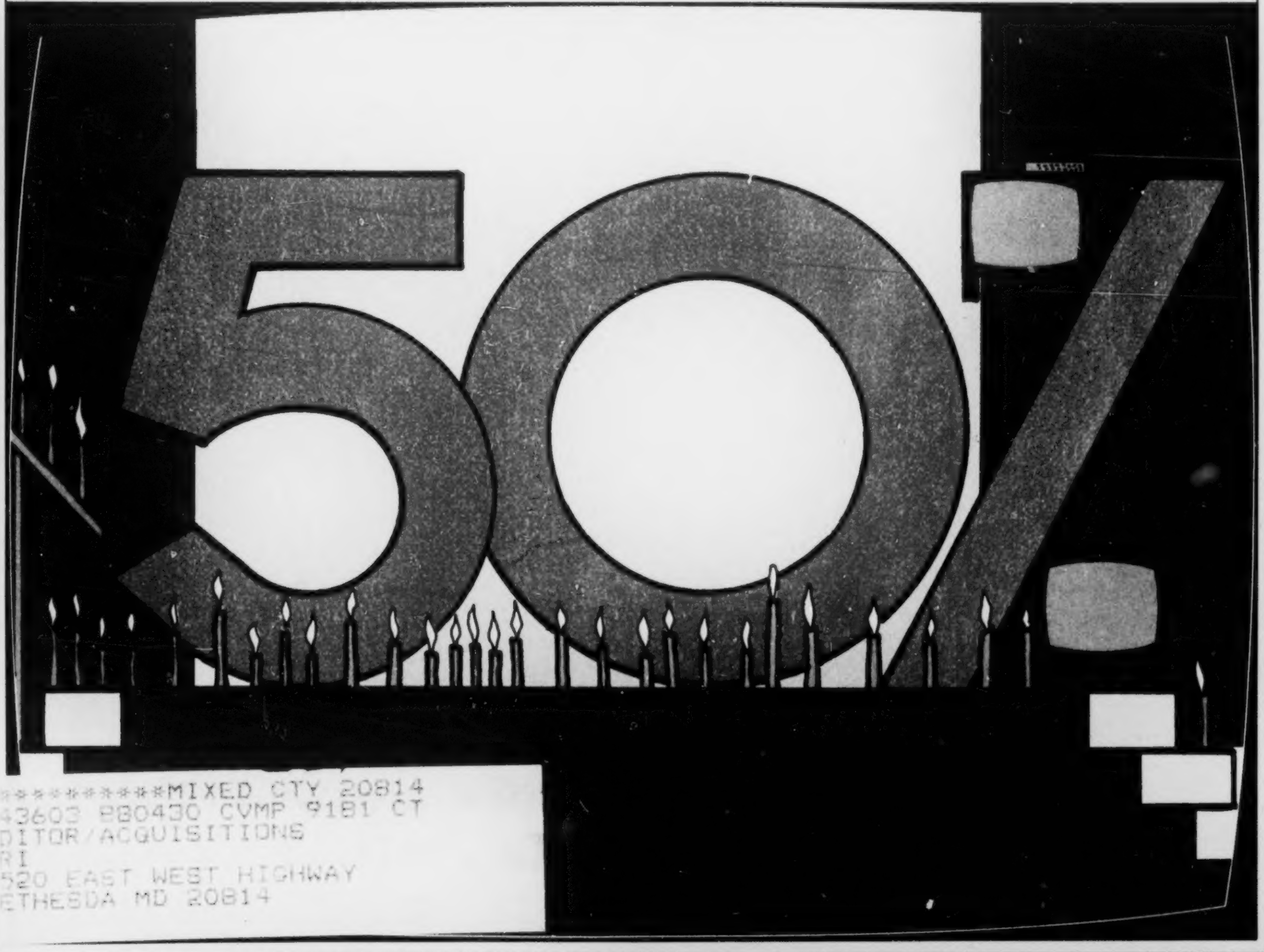
CTAM DEBATES CABLE'S COMPETITIVE EDGE

ASSESSING THE SHAPE OF HOME SHOPPING

DATABASE SHOWS STRONG FIRST HALF FOR PAY

CENTEL RINGS UP A CABLE PUBLIC OFFERING

HALFWAY HOME:
THE MYTH AND MEANING OF 50



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CableVision

FRONT LINE

Pay jumps in first half 12
CTAM's DATABASE report for the first half of the year shows surveyed systems posted a 1 percent net gain in basic subscribers but an impressive 3.5 percent jump in pay units.

Viacom and Coke still talking 16
Talk of an expected equity investment by Coke in Viacom continues to buzz around the industry while further management changes occur in Viacom's Showtime/The Movie Channel.

Centel Cable going public 17
Centel Corp. plans an initial public offering of about $100 million to build a warchest for further cable acquisitions in hopes of becoming a major player in the business.

Debating cable's edge 20
Speakers at the CTAM convention disagree on how innovative the cable industry really is and the direction it should take in addressing the VCR challenge and developing pay-per-view.

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The shape of home shopping 26
The crowded cable home shopping business may be in for a shakeout—with three main services dominating the field— but lucrative investments in video retailing and more equity deals may crop up as home shopping settles down into a more stable marketplace.

FORUM

A soft spot for 70 58
The 50 percent marks sounds great to a pioneer who helped get the industry there, but Bill Daniels, in a perspective piece on what the threshold means to the industry, says it's just not enough. He's shooting for 70 percent.

LAW & REGULATION

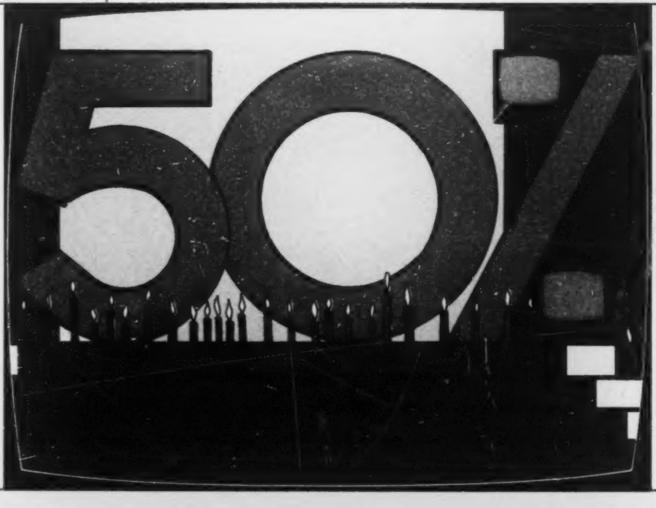
Drums along the Potomac 60
The friction between cable and its competitors can only heighten in the political arena now that 50 percent penetration is at hand. To industry observers, cable's new-found dominance will only cause Congress and others to focus more on cable policy issues.

ADVERTISING

And now a word from our sponsors 64
Cable may be a better media buy these days now that it's nearing 50 percent penetration, but for advertisers demanding mass audiences, broadcast is still the place to be.

BUSINESS & FINANCE

Wall Street weak on 50 66
Wall Street isn't getting excited about the 50 percent number being flashed around the cable community. But don't call your broker: To the financial wizards, the new penetration mark is just another sign that the business is steadily growing.



COVER STORY

A brave new world 40
OK, so the glass is half-full. Now, how can cable fulfill its potential and serve the rest of the country? We present two possible glimpses into the future: A look at the shape of the business in 1993, when penetration could stand at 60 percent. Then we look at a different landscape, one in which cable's future could be imperiled by a new wire on the pole.

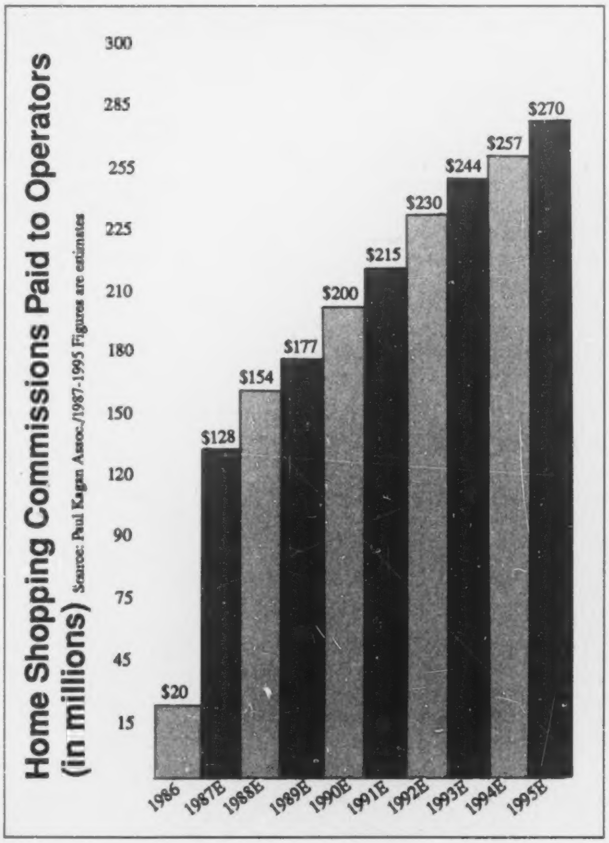
'This is becoming a crowded marketplace'

Equity deals, explosion of services cloud future trends in home shopping

By John Motavalli

As the rapidly shifting home-shopping marketplace begins to settle down a little, some key patterns are beginning to emerge.

- Some operators are concerned that the major equity stakes that home shopping services have been offering in exchange for long-term carriage commitments have led some MSOs to over-stock the channels, tying up channel capacity and offering more video retailing than viewers want. But the investments have been lucrative for operators, often resulting in a quick rise in an MSO's stock price, analysts note.


Home Shopping Commissions Paid to Operators (in millions)
Source: Paul Kagan Assoc./1987-1995 Figures are estimates

- Three key services—The Cable Value Network, The QVC Network and The Home Shopping Network—look to be the winners in the broad-based home-shopping market, with an uphill fight facing any newcomer to the field, such as the forthcoming Shop Television Network. Ancillary channels, such as The Travel Channel and The Fashion Channel also look promising. But many operators say that adding incremental channels does not expand home shopping revenue geometrically. According to Paul Kagan Associates, operators should be bringing in $200 million in home shopping commissions by 1990 (see chart).
- One more area of growth could be exploration of video retailing through existing cable services. Jerrold, which operates the Cable Video Store pay-per-view channel, will begin selling videotapes of hit movies and other product on its channel soon, and FNN's TelShop has been modestly successful as an accompaniment to FNN's business news and sports programming, with a wholly separate TelShop feed due next year.
- Analysts and operators agree that interactive home shopping will play a major part in the marketplace. Touche Ross & Co., a San Francisco-based management consulting firm, forecasts that interactive services will account for up to $3 billion of the $8 billion that home shopping could be bringing in by 1990. Telaction, J.C. Penney's much heralded interactive service, is now in the midst of a market test in 75 homes in an unnamed system in the northern suburbs of Chicago, according to spokesman Mary Dale Walters. Centel Cable had talked to Penney last fall about being involved in the Telaction test, according to Thomas Wehling, a Centel vice president, but the "equipment wasn't quite ready." The service represents a $40 million investment from Penney, observers say.

Also without fanfare, GTE is planning a test in Boston-area cable systems of an interactive channel similar to Telaction, but with some technological advancements, claims Joseph Citarella, GTE's director of marketing. GTE hopes that the service, dubbed Main Street, can begin market testing in Boston during the fourth quarter.

The channel has similarities to J.C. Penney's Telaction, according to Citarella, in that it will be accessed through a telephone and uses an electronic menu to dial up a group of product categories from a selected group of retailers. Shoppers will see a series of rapidly shifting product stills accompanied by narration when they chose a particular item from the available menus, and can order through their telephones.

But it also has several advances over the delivery system designed for Telaction by Cableshare, a Canadian firm. Citarella says Main Street can be accessed through any telephone, not just a touch-tone unit. It also will use an in-home frame-store, rather than the pole-mounted unit being tested by Telaction. The in-home unit, which Citarella says would be similar in size to a cable converter, will be more versatile than Cableshare's because it does not have the "party line" aspects. Cableshare's pole-mounted frame store serves about 15 homes, and only one of those homes at a time can access it.

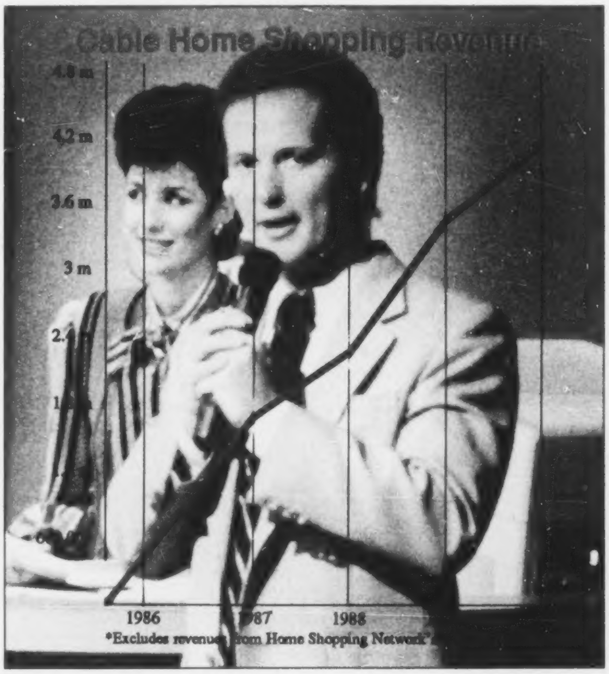
Citarella says Main Street could be used for a variety of applications, including electronic banking and mail as well as home shopping. He notes that GTE has been quiet about the new service because it has not yet determined that it will offer it commercially and because "we have some proprietary technology."

In a simultaneous move toward greater

interactivity, the Jerrold division of General Instrument Corp. also is working with the three major shopping networks on developing impulse ordering, which would only require a "crawl" at the bottom of a channel's feed advising impulse-equipped customers that they can order merchandise directly through their impulse sidecars. "We're out to put phone operators out of business," quips Hal Krisbergh, vice president and general manager of Jerrold's subscriber systems division.

Home shopping stakes

The home shopping stakes have become truly enormous. CVN President Peter Barton says the company now has 3,200 employees, can handle 100,000 orders a day, and expects to bring in $350 million this year, paying "at least" $15 million to operators. HSN recently announced a take of $4.5 million for a single day (June 23), the result of a newly installed telephone system. Net sales for HSN's second quarter were $165.3 million. (Some cable observers, particularly Barton, grumble that much of that revenue came from HSN's broadcast operations, without benefiting operators who do not carry HSN's UHF channels.) QVC chairman, Joseph Segel, says the company is "very confident" that its net billings for its first fiscal year will exceed $100 million.



The equity offerings have been major inducements to operators. In June, for example, CVN announced it had signed seven-year affiliation agreements with 16 major operators serving 15 million subscribers, with plans to have 20 million under contract by year-end. CVN is in the process of merging with the merchandiser C.O.M.B. Co., and the deal that operators worked out with CVN will give the MSOs 50 percent of the new entity, CVN Companies. QVC, in what CVN's Barton calls a copycat move, also has offered operators equity in exchange for seven-year deals, announcing in July that operators have bought a total of 483,000 shares of QVC convertible preferred stock, with no fixed dividend, at $10 per share. Comcast Cable alone owns about 15 percent of the channel.

HSN's president, Lowell "Bud" Paxson, has said that 68 out of the top 80 MSO's own HSN stock, with a total value of $125 million. The Fashion Channel will launch in October with commitments from 66 MSOs representing a roll-out to 18.3 million subscribers over the next three years, the company says, in a deal that will give its operator partners some 2.5 million shares of the channel's class B stock, at 20 cents a share.

These opportunities from the three major broad-based channels has created a "gold rush or land-grant mentality" at some MSOs, laments a prominent operator, who asked not to be named because he disagrees with his own company's approach to home shopping. His MSO offers all three channels—CVN, HSN and QVC—on most systems, he says, because top management "saw a quick hit to the bottom line. Some companies, by signing up to these deals, increased the net worth of the company by up to $1 million. But I don't know if carrying three or four shopping channels is consumer friendly."

Splitting the audience

Observes Dennis McAlpine, an industry analyst for Oppenheimer & Co., "The MSOs' home shopping holdings can be sizable. If you can rationalize that there's no negative impact on your subscribers, certainly the stock investments will be a positive contribution to an MSO's valuation. But if you run three of these channels, you split the audience too much."

Barton says the current situation is not healthy for some MSOs, noting that he could immediately think of at least four MSOs that are currently faced with a shopping-channel glut. "It's like the days of multi-pay—everyone thought that more was better, but it turned out to be more of the same and it turned a lot of people off to the category," he says, adding that the majority of CVN's affiliates have at least one other shopping channel.

Barton, a former Tele-Communications Inc. executive, maintains that QVC "came along and adopted a look that's identical to ours, with a product mix and an equity plan that's also identical to ours. What would be useful for operators to schedule is differentiated services, like The Fashion Channel or Sky Merchant."

The glut of channels will make it difficult for new networks to get off the ground. According to Electronic Shopping News, an industry newsletter, there are now 31 home shopping networks operating full or part time, and most of these are seeking cable carriage. When *CableVision* last listed national home shopping services in its Sept. 1, 1986, issue last year, there were 17. Notes Mark Riely, an analyst with Eberstadt Fleming, "I think the minor-league services aren't going to survive."

Most of the contending players are offering operators the standard 5 percent commission but some, such as America's Shopping Channel, part-owned by Cox Cable, are offering up to 10 percent. Shop Television Network's plan to launch on cable came after an inital plan, developed with LBS Communications, to launch on broadcast fell through. But analysts think it will be a hard fight, even though STN is planning to offer, during its first six months, a guaranteed minimum commission payment that would match that of a system's best-paying shopping service and a 2 percent stake in the company for every 1 million subs committed to STN before its Oct. 16 launch.

Michael Rosen, STN's president, acknowledged that "this is becoming a crowded marketplace," adding, "We realized that if we didn't come in now there definitely could be a lockout." Rosen said that STN will be differentiated from its competitors because it is offering top-rank merchandise from J.C. Penney—sporting goods, electronics, clothing and new technologies. He noted that STN's on-air look would be faster paced than other existing channels. STN hired about a third of the staff of the now-defunct Value Television (VTV), an

Continued on page 36

Pay Per View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

September

Source

Condorman (9/17) **Walt Disney**
MPAA Rating: PG Running Time: 90 mins.
Cast: Barbara Carrera, Oliver Reed.

From The Hip (9/2) **Lorimar**
MPAA Rating: PG Running Time: 111 mins.
Cast: Judd Nelson, Elizabeth Perkins, John Hurt.

The Good Wife (9/2) **Paramount**
MPAA Rating: R Running Time: 97 mins.
Cast: Rachel Ward, Bryan Brown, Sam Neill

Hot Dog...The Movie (9/17) **MGM/UA**
MPAA Rating: R Running Time: 95 mins.
Cast: David Naughton, Shannon Tweed, Patrick Houser.

Munchies (9/17) **MGM/UA**
MPAA Rating: R Running Time: 83 mins.
Cast: Harvey Korman, Charles Stratton, Nadine Van Der Veld.

Penitentiary II (9/17) **MGM/UA**
MPAA Rating : R Running Time: 107 mins.
Cast: Mr. T, Leon Isaac Kennedy, Glynn Turman.

Pretty Smart (9/11) **HBO Enterprises**
MPAA Rating: R Running Time: 84 mins.
Cast: Tricia Lee Fisher, Patricia Arquette, Dennis Cole.

Radio Days (9/1) **Orion**
MPAA Rating : PG Running Time: 88 mins.
Cast: Mia Farrow, Diane Wiest, Julie Kamer, Joshua Mostel.

Some Kind of Wonderful (9/2) **Paramount**
MPAA Rating: PG-13 Running Time: 95 mins.
Cast: Eric Stoltz, Mary Stuart Masterson, Lea Thompson.

Wild Thing (9/2) **Paramount**
MPAA Rating: PG-13 Running Time: 95 mins.
Cast: Rob Knepper, Kathleen Quinlin, Betty Buckley.

October

Source

The Allnighter (10/1) **Universal**
MPAA Rating: PG-13 Running Time: 95 mins.
Cast: Susanna Hoffs, Dedee Pfeiffer, John Terlesky.

Blind Date (10/1) **Tri-Star**
MPAA Rating: PG-13 Running Time: 95 mins.
Cast: Bruce Willis, Kim Basinger, John Larroquette.

Burglar (10/29) **Warner Bros.**
MPAA Rating: R Running Time: 103 mins.
Cast: Whoopie Goldberg, Bobcat Goldthwait, Leslie Ann Warren.

Crocodile Dundee (10/1) **Paramount**
MPAA Rating: PG-13 Running Time: 97 mins.
Cast: Paul Hogan, Linda Kozlowski, Mark Blum.

Death Before Dishonor (10/15) **HBO Enterprises**
MPAA Rating: R Running Time: 95 mins.
Cast: Fred Dryer, Brian Keith, Joanna Pacula.

84 Charing Cross Road (10/1) **Columbia**
MPAA Rating: PG Running Time: 99 mins.
Cast: Ann Bancroft, Anthony Hopkins.

Ernest Goes To Camp (10/29) **Touchstone**
MPAA Rating: PG Running Time: 93 mins.
Cast: Not Available.

Heat (10/15) **New Century/Vista**
MPAA Rating: R Running Time: 102 mins.
Cast: Burt Reynolds, Karen Young, Peter MacNicol, Howard Hesseman.

Hoosiers (10/14) **HBO Productions**
MPAA Rating: PG Running Time: 114 mins.
Cast: Gene Hackman, Dennis Hopper, Barbara Hershey.

Nice Girls Don't Explode (10/29) **HBO Productions**
MPAA Rating: PG Running Time: 92 mins.
Cast: Barbara Harris, Wallace Shawn, Michelle Meyrink.

Raising Arizona (10/1) **20th Century-Fox**
MPAA Rating: PG-13 Running Time: 94 mins.
Cast: Nicholas Cage, Holly Hunter.

The Stepfather (10/1) **New Century/Vista**
MPAA Rating: R Running Time: 88 mins.
Cast: Terry O'Quinn, Jill Schoelen, Shelly Hack.

Trick Or Treat (10/22) **Lorimar**
MPAA Rating: R Running Time: 97 mins.
Cast: Mark Price, Tony Fields, Lisa Orgolini, Doug Savant.

Note: Running times are approximate.
NR indicates film not rated by MPAA.
* Unavailable at presstime.

Film information provided to International Thomson Communications Inc. by distributors.

Pay Per View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	All movies, 24 hours per day 50-60 titles per month	Field trial basis; currently serving 10 MSOs nationwide. (2,500 Impulse addressable subscribers).
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title, plus up to two licensed films edited for Playboy.	Available in systems serving 185,000 subs (139,000 addressable).
Request Television	November 27, 1985	Galaxy 1, tr. 12	VideoCipher II	Min. of four major motion pictures per week over 14 day cycle, special events	Available in systems serving 3 million subs. (2 million addressable).
Telstar Channels	June 5, 1986	Interrum Standalone, testing on Telstar 303	Testing G.I. Starloc IV	Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events	Available in systems serving 74,000 subs (11,500 addressable).
Viewer's Choice	November 26, 1985	VC-1 Satcom 3R, tr. 5, VC-2 Galaxy 1, tr. 16	VideoCipher II	One major motion picture per week, special events	Available in systems serving 2.6 million subs. (1.6 million addressable).

Continued from page 28

attempt by Lorimar-Telepictures to present home shopping through syndication. Despite the failure of the show on broadcast TV, Rosen said it had brought in about $250,000 for each of its one-hour broadcasts.

Centel Cable could be a fairly representative example of what new services are up against. Wehling, vice president of marketing, says that Centel makes about $500,000 annually from home shopping, about $1.20 per sub in a network offering restricted to HSN and FNN's TelShop. Wehling says Centel decided not to go for the long-term contracts with QVC and CVN, despite the obvious temptation, because the company did not want to over-invest in video retailing. "We're in the cable TV business, not the home shopping business," he states.

But Centel does want to offer other differentiated services, he adds, and the company is looking seriously at also offering The Fashion Channel and The Travel Channel.

Regional promotions

At Gill Cable in San Jose, Calif., with over 120,000 subscribers, executive vice president and general manager Ben Reichmuth says his company has also resisted the seven-year affiliation deals because "we haven't considered anything that ties up a channel that long—we don't want to get carried away." But Gill signed three-year deals with CVN and HSN and will schedule partial carriage of The Fashion Channel. Reichmuth says Gill decided to go with CVN because, in the San Francisco Bay area, "they have such a concentration in this market, with Viacom, United, TCI and the Hearst systems all carrying it. It makes a lot more sense for regional promotions."

Reichmuth cautions that adding an extra home shopping channel does not necessarily result in drastically increased revenues. "It's not fair to say that one and one makes two," he says, noting that Gill had averaged $25,000 a month in shopping commissions when it first launched HSN and now is bringing in about $20,000 with both channels. The initial figures, he cautions, were mostly due to the novelty of the category and have little to do with the long-term prospects for home shopping revenue. Gill also plans a classified channel that it expects to generate up to $1 million anually.

Cablevision Industries, the MSO based in upstate Liberty, N.Y., says it's bringing in about $75,000 a month in commissions from sales to its 500,000 subscribers, with a line-up including QVC and HSN. Cablevision is one of the 66 companies which invested in The Fashion Channel because it is "differentiated," says Michael Egan, director of programming. "We're very sensitive to the glut of shopping channels—two broad-based channels are enough."

Egan says it's important to put home-shopping commissions in perspective. Cablevision's take is less than 1 percent of total revenues, and local avail advertising is bringing in more revenue in just about every Cablevision system where avails are sold. Avails are averaging about 4 percent of total revenue.

At Comcast Cable, QVC is the dominant home shopping player—not surprising given Comcast's major investment in the channel. Marilyn Russell, vice president of programming, says QVC is Comcast's play in the marketplace except in a few systems where HSN was inherited from the old owners. Russell says, however, that Comcast is challenged by the "mall concept" in home shopping, especially the new interactive players seeking to enter the competition. "We'll do tests with Fashion, Travel, CVN, HSN—we're intrigued with the concept," she comments.

Although most Comcast systems are too limited in channel capacity to test a multiple-channel idea, the MSO has a "couple" of 75-channel systems that should prove ideal for testing, Russell adds. She would not reveal commission figures, other than to say that revenue has been steadily increasing since QVC was launched in December of last year. ■

NOTES

■ **The Southern California Cable** Association presented awards in 11 categories recently in its Local Programming Awards ceremony. The winners include: News/Public Affairs Coverage, *Homeless on the Westside*, David Hunt, Daal Praderas and Tony Flynn producers, M.L. Media; Public Access: Informational, *Earth Alert*, John Bass, producer, M.L. Media; Public Access: Entertainment, *Wave Watch*, John Bass, producer, M.L. Media; Best Community Events Coverage, *Anti-Drug Billboard Contest*, Steve Polydoros, producer, M.L. Media; Best Informational Programming, *The Silent Cries of Pain*, Sharee Clark, producer, Times Mirror Cable of San Juan Capistrano; Best Local Advertising Commercial, *Cannons #2 Restaurant*, Mark Sucher, producer, Times Mirror Cable of San Juan Capistrano; Best Sports Event Coverage, *North Orange County Game of the Week*, Steve Arndt and Mike Ewing, producers, Comcast Cablevision, Fullerton; Best Series Programming, *Book Talk with Mary Ellen Ritz*, Mary Ellen Ritz, producer, Comcast Cablevision, Fullerton; Best Entertainment Programming, *The Affect: A Band at the Beginning*, Ned Augustenborg, producer, South Gate Cablevision; Best Cable Promotion, *Your Cable Just Got Better*, John McCarthy, producer, Falcon Communications, Alhambra system; and Overall Committment to Local Cable TV Programming, Doug Nielson, programming director; M.L. Media.

■ **The Discovery Channel will pre**sent a week-long series of films dealing with AIDS. Included in that week is *On the Brink: An AIDS Chronicle*, premiering at 9 p.m. and 12:30 a.m. (ET) on Sunday, Sept. 13.

■ **September Highlights on A&E** include *The Last of the Mohicans*, Sept. 3, 8 p.m.; *The Challenge*, Sept. 5, 8 p.m.; *The Theban Plays: Oedipus the King*, Sept 10, 8:30 p.m. and *To Race the Wind*, Sept. 11, 8 p.m.

■ **Eleven cable television systems** in North Carolina have been recognized for excellence in customer service by the North Carolina Cable Television Association. Recipients of the second annual award were Cablevision of Greensboro, Cablevision of Raleigh and Tar River Communications Inc., Rocky Mount; Asheville Cablevision, Kinston Cable TV Inc., Southern Cablevision, Richlands, ATC-Greensboro Division and Essex Cable TV, Hendersonville; Greeville Cable TV Inc., Greeville, and Alert Cable TV of NC Inc., Cherry Point. Steve Effros, president of CATA, presented the awards.

■ **In September, The Learning** Channel offers viewers a series of half-hour programs designed to prepare them for college entrance examinations. The series is divided into three parts: *Math Review for SAT-PSAT*—Wednesday, Sept. 2, 11 a.m. (ET) and Friday, Sept. 4, 6:30 p.m. (ET); *Verbal Review for SAT-PSAT*—Wednesday, Sept. 9, 11 a.m. (ET) and Friday, Sept. 11, 6:30 p.m. (ET); and *Math and Verbal Review for the ACT*—Wednesday, Sept. 23, 11 a.m. (ET) and Friday, Sept. 25, 6:30 p.m. (ET).

■ **The National League of Cities** joined with the Arts & Entertainment to sponsor the network's second annual *CityVideos* cable documentary competition. *CityVideos* is an opportunity for cable operators and their communities to produce a five-minute videotape capturing the spirit of their cities. Entry forms can be obtained by writing to: A&E City Videos, P.O. Box 6618, New York, NY 1016- 6023.

COVER STORY

Getting other half: An expensive and daunting challenge

New ideas, ventures needed to capture tough urban markets

A SPECIAL REPORT

By Virginia Munger Kahn

It's 1993. Cable penetration on a nationwide basis stands at 60 percent of all TV homes and 70 percent of homes passed. Using revenues the industry has generated in the five years since the 50 percent threshold was passed, cable operators and programmers have added at least two new broadbased basic channels, have more than doubled the number of addressable units in the field, and have put together the first of their joint bids for major sporting events—the World Series and the Super Bowl. It's a heady time for the industry.

But problems remain. The continuing fractionalization of the television audience is keeping ratings lower than many cable networks would like, and expenditures on programming and marketing are escalating faster than the industry anticipated.

That scenario is not hard to envision given current industry trends. The key will be in the industry's ability to raise penetration 2 percentage points a year over the next five years. Provided that the competitive environment does not change radically between now and then, that is, telephone companies are not allowed into the business and there are no technological breakthroughs that bypass the industry's distribution system, most operators and analysts say such a goal is well within the industry's reach.

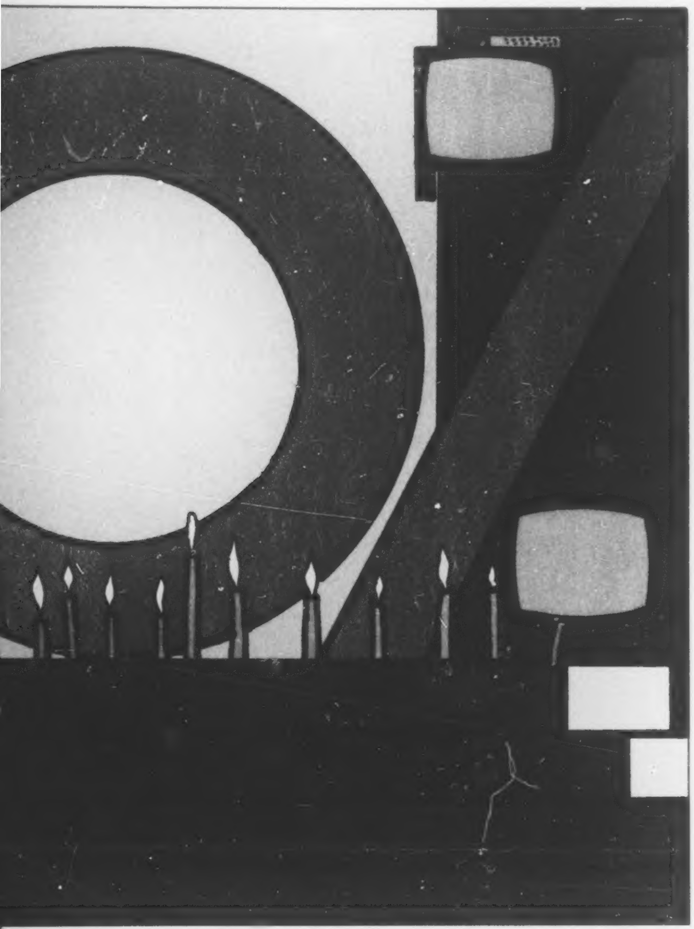
The primary tools the industry will use to attain that goal are better programming and marketing. Those two items encompass not only the development of new channels and new services, including pay-per-view, but also the willingness to spend substantial sums buying and promoting the product. While costs will be substantial, they are not expected to equal the $9 billion spent between 1980 and the end of 1984 during the intensive newbuild era.

The benefits of a focus on hiking penetration are manyfold. Not only do operators know that the more subscribers they sign up the more efficiently they are using the investment in their plant, but volume always is key to keeping prices down, which will be imperative to stave off competition. And the more revenues and cash flow the industry generates, the more money it will have to invest in new services and channel capacity, marketing and rebuilding plant to meet the demands of the future.

The result will be creation of an industry rivaling the broadcast networks for viewers and advertising dollars, that commands the attention of Hollywood and can lead the entertainment business into new areas of development. At that point, cable will be the mass medium that its investors and employees hope it will be.

How far into the nation's television households cable operators can push is the subject of much debate within the industry. In a recent report Dennis Leibowitz, media analyst at Donaldson, Lufkin & Jenrette, wrote, "total subscriber growth from (increasing penetration and construction) ought to be at least 5 percent annually for the foreseeable future compared with about 1.5 percent for total television households." Many MSOs already have targeted 70 percent to 80 percent as their penetration goal over the next few years.

Steven Dodge, chairman and CEO of American Cablesystems, says 80 percent should be achievable for his company over the next five to 10 years. He notes that many American



systems in Massachusetts, where there are many strong off-air stations, already have attained those levels and better.

American Television and Communications has set a 70 percent goal for itself by the end of 1993, up 14 percent from its current average penetration rate, while Warner Cable Communications President James Gray says that company's goal is 65 percent within the next few years. He, like many other operators, notes that Warner has many systems where penetration is already 80 percent and some have 90 percent penetration.

Jack Frazee, president and CEO at Centel, however, has the most optimistic outlook on the business. "(Penetration) will be on a par with other necessities like telephone and power. Ninety to 95 percent maybe."

Those types of numbers will not be achievable in all

Taking the long view: cable's success may provoke a fiber fight

Telcos eager to market test networks offering integrated voice, data, video

By Fred Dawson

"What a lovely thing to have to think about. It's like talking about cancer."

If you know the subject of the question that prompted this response from the president of a large MSO, chances are you're not psychic. Instead, you probably know such thinking is mainstream when it comes to cable industry perspective on the telcos' mounting desire to introduce the nation to what many believe is the inevitable next plateau in wideband communications, namely, integrated switched digital networks employing fiber optics technology.

But mainstream or not, such thinking is beginning to look risky in the context of the emergence of maximum choice as the norm in U.S. television culture. As the cable industry approaches the 50 percent penetration threshold, interest among outsiders in sharing in the bounty flowing to those who can supply television in accord with this new norm of public expectations is intensifying, with technological, business and regulatory dynamics fueling the incentive.

The rear-guard-action approach to coping with potential turf intrusions may not be enough if the chain of command currently manning the coaxial conduits doesn't want to be relegated to the role of middlemen marketing product delivered over other people's facilities.

Of course, with its long headstart over telcos, DBS providers or any other would-be intruders, the cable industry is secure in its market strength and asset value for many years to come, even if every competition-related nightmare eventually comes true.

But the pace of events has dramatically accelerated this year, lopping ever more months, if not years, off the leadtime operators have to exploit the advantages they enjoy in their exclusive domains.

A growing number of telcos, including independents as well as Bell Operating Companies, are getting involved with the construction and testing of all-fiber networks for delivery of narrowband and wideband services to the home. Well known are the Southern Bell all-fiber test now up and running in Hunter's Creek, Fla., and the proposed multi-system (copper twisted pair, coaxial cable and fiber) experiment of GTE Corp. in Cerritos, Calif.

Joining these, *CableVision* has just learned, will be tests planned by Southwestern Bell, Mountain Bell, Illinois Bell and Bell of Pennsylvania. And just approved by the Federal Communications Commission is another Southern Bell project at a second housing development, Heathrow, which, like Hunter's Creek, is a planned community under construction outside Orlando.

Continued on page 54

markets, however, especially the big cities. Dodge said that factoring in urban markets to his prediction of an 80 percent penetration rate nationwide would decrease that number by at least 5 percent to 10 percent. According to Gray, Warner has "set its sights on 50 percent" penetration in major markets.

Yet, it is in urban markets that the most opportunity seems to lie. Not only are penetration rates lower on the average, and therefore the potential is still great, but also those markets are the most valuable to advertisers and programmers, especially for pay-per-view.

Says Edward Hatch, vice president at Shearson Lehman Brothers: "Once you're at 65 or 70 percent in a large metropolitan area, a whole host of opportunities arises—advertising, pay-per-view, home shopping. Collectively, those become very meanful (to the industry's revenue base)."

Unlocking the potential

The key to unlocking that potential lies in the same areas as it does for the rest of the industry's marketplace—improved programming and promotion—although the urban market will demand specialized treatment. Dan Smith, vice president for marketing at Mile-Hi Cablevision in Denver, says those two goals will encompass the development of new programming in concert with better promotion of what the industry already offers. Since the urban market typically is characterized by two lifestyles—one "yuppie," the other poor—cable's approach to it must take two tacks.

Young, urban, two-earner households depend less on television than other typical demographic groups, Smith notes. To understand this demographic is to understand the meaning of the words "on demand." As such, the industry should emphasize such programming as CNN and the Weather Channel, which are updated on a 24-hour basis, and the compatibility of the movie channels with VCRs, says Smith. Pay-per-view is important for this demographic, especially if it is impulse.

Building closer relationships with community groups is key to tapping the non-affluent urban market demographic. Smith says the programming this group enjoys already is available on CBN, USA, the superstations and the pay services, which he said do particularly well among this demographic.

The result of raising penetration in urban markets like Denver, Dallas, Houston and Washington into the mid-40 percent range and above will be to improve the industry's overall chances of reaching 60 percent on a nationwide basis. According to Smith, Mile-Hi has increased penetration five points this year and projects another five point increase next year. Within two to three years, he projects penetration will be in the mid-40s, up from its current 29 percent level.

But the cost will be high, primarily because the marketing of cable services in urban areas will require buying advertising time on dominant broadcast stations and space in major newspapers. This will break cable's traditional marketing approach of emphasizing direct sales either door-to-door or through the mail.

Jack Frazee

In an effort to boost penetration, Mile-Hi will spend a quarter of a million dollars this fall on a six-week television campaign, representing 2,000 GRPs (Gross Ratings Points). "You'd have to be brain-dead or out of town to miss it," says Smith.

Mile-Hi is lucky because it and its parent corporations serve the entire Denver area. Many metropolitan markets are characterized by a patchwork of cable ownership, which makes buying TV and radio advertising time a large-scale effort in coordination, especially for increasingly important tune-in ads.

Such thinking has clearly been behind American Cablesystem's increasing presence in the Los Angeles market, to the point where the company now passes more than 940,000 homes there.

Better programming

"We must do everything possible to let our programming sources grow," said Centel's Frazee. "One thing we can't be afraid to do is to pay them for developing good programming."

The industry already has demonstrated a commitment to programming in its $575 million investment in Turner Broadcasting, infusions in several other programming services, its willingness to put together a consortium to bid on the NFL contract, and now its commitment to ESPN's $150 million NFL package.

In its historic 1985 report to the industry, Arthur D. Little estimated that operators would pay royalties to the pay TV networks of $1.5 billion in 1987, while satellite program fees would reach $220 million. According to Donald Schlosser, co-author of the report and now an executive at King Broadcasting, the latter number already is out-of-date. He estimated that fees to the basic networks will be closer to $500 million this year.

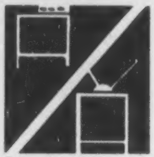
But while the cable networks may reap significant carriage fees, the broadcast networks still spend considerably more on programming—an estimated $5 billion this year, according to Kagan analyst Larry Gerbrandt, compared to more than $1.5 billion total for the cable networks. The costs of developing programming that can compete against the broadcasters then can be expected to be high and continually escalating.

Moreover, broadcasting's dominant position among advertisers—last year they spent $16.6 billion on radio and television compared to $735 million on cable television—should help insure the networks' ability to continue investing in high-profile programming.

While most advertising executives question whether cable ever will be able to compete for the mass audience shares now achieved by the broadcast networks, cable has a trump card in its dual revenue stream—advertising plus subscriber fees. This structural difference between the two industries already is apparent in the ability of cable networks to post cash flow and operating income equal to that of the three networks despite having far smaller advertising sales.

It is this characteristic of the industry that makes cable veterans like Bill Daniels predict that as the sporting world's needs for ever-increasing television revenues grows, cable will be in a superior position to bid on high-profile, high-cost events such as the Super Bowl and the World Series.

What is important now is for the industry to come up with ways by which high-profile programming can be produced at a cost-efficient price, says Warner Cable's Gray. It is possible operators could join together to form barter syndication-like networks. Through these networks, they could contract for programming and guarantee carriage in a set number of



homes.

A more immediate possibility is the transformation of existing channels, such as WTBS or perhaps The Movie Channel, to more high-profile programming. It is this concept that TCI President and CEO John Malone broached with Turner at the 1986 NCTA convention in Dallas. While ESPN has succeeded in acquiring such 'punch-through" programming for the industry, the idea has yet to take on channel-specific form.

The PPV challenge

Tied in with the industry's drive to improve programming is its effort to provide impulse pay-per-view, a service which Dodge, Frazee and many analysts see as vital to greatly increasing penetration. "The most important thing about pay-per-view is its importance to our customers," says Frazee. "It's the only way we can get big events to the public."

Katherine Marien, a long-time industry observer and now senior vice president at the Bank of New England, put it more bluntly. "Pay-per-view is going to have to be available (for the industry) to reach 70 percent."

The upfront costs of pay-per-view has stopped many operators from even considerating it. But, as Kaplan noted in his report, harware costs have been declining so that an addressable converter with an impulse PPV sidecar now is available for about $130. "As that price approaches about $100, we think operators will find it an increasingly irresistible hardware alternative for newbuilds, rebuilds, and ongoing replacements," he wrote.

By the end of this year, according to Kaplan, the industry is expected to have almost 15 million addressable households, or almost 27 percent of its subscriber base PPV accessible. Within three years that universe should rise to 24.4 million homes, or more than 56 percent of subscribers PPV capable.

The cost of implementing pay-per-view over the next five years is difficult to assess. Analysts note that addressible converters and two-way systems are bought and installed for reasons beyond their pay-per-view capability. On a revenue basis, however, Paul Kagan Associates estimates pay-per-view will account for $1 billion by 1993, up from this year's estimated $71 million.

While the $1 billion figure would constitute only a small percentage of the $20 billion in total cable revenues projected by Kagan by 1993, the value of pay-per-view lies in reigniting excitement in the business and attracting new subscribers, say operators.

"Turner said that we lost our queen when VCRs came along and I agree with that," says Dodge, referring to comments Turner made to *CableVision* this past winter regarding the softness in the pay television market. "Pay-per-view has the potential to be a locomotive like HBO was...that is, getting people to sign up for cable," Dodge says.

The industry's ability to convince Hollywood to provide films to pay-per-view on an earlier window than videocassettes has been viewed as a key goal for taking full advantage of impulse television.

At a recent Kagan seminar, Paramount executive Alan Cole-Ford stated that real excitement would be generated within movie studios and event promoters when the pay-per-view universe reached 10 million customers. At that point major studios would begin rethinking the windows on certain hit titles, he said.

> 'To be marching forward (into the future) on an adversarial footing (with Hollywood) is counter-productive.'
>
> —Steven Dodge

While there have been some signs the studios may soon be ready to consider such a move, operators still must convince the film industry that the revenues "are there" and that the splits on PPV may be renegotiated, according to Dodge.

At this point, however, the industry's relationship with Hollywood is at an all-time low, primarily as a result of the studios' increasing concern over the consolidation of ownership within the cable industry and what that means for its negotiating position *vis a vis* Hollywood.

Several operators expressed disappointment over cable's current state of war with Hollywood, especially considering the symbiotic economic relationship between the two businesses. Said Gray: "It's time to work to communicate togther." Said Dodge: "To be marching forward (into the future) on an adversarial footing is counter-productive."

Dodge and Gray stress the common ground the two industries have—and the benefits they can derive from depending on each other. "If you combine our distribution (capability) and our willingness to promote with their product and their promotion skills," you have a powerful forumula for success, Dodge suggests. "If our subscribers are happy, we make a lot of money. That money will flow to Hollywood," he notes.

The same cannot be said for cable's relationship with the broadcasters. There, competition between the two industries for viewers, advertising dollars and the best programming will make it increasingly likely thie two businesses will clash. While operators feel that broadcasters, unlike generals, will not simply fade away, they clearly are confident in cable's ability to compete successfully against the networks and independent stations.

One way the broadcast networks may confront the cable threat is to buy into the industry—primarily through its programmers. Under federal regulations, the networks cannot own cable systems, except on a minimal basis, and no one can own a system and television station in the same market. Those regulations certainly will be attacked.

NBC President Robert Wright intimated such an interest at the recent CTAM convention when he stated the industry will need help developing its increasingly expensive programming projects. Two years ago NBC was extremely interested in buying CNN and more recently Wright toyed with the idea of investing in the Turner operator consortium. The network also is thought to be eyeing the possibilities of an investment at the USA Network.

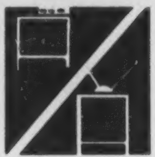
For broadcasters in general, cable's increasing penetration rate holds significant ramifications over the long term. The closer cable gets to universal acceptance, the less the broadcast networks need their affiliates and the $400 to $500 million a year they spend in affiliate fees.

But while an ATC executive told a group in New York a year ago that ABC was contemplating dropping its network status and changing over to a basic cable network, it is unlikely such a major restructuring of the network television market is close to consummation.

Promotion and service

"It will take more and more sophisticated marketing" for cable to reach 60 or 70 percent penetration, said media analyst Reidy. "It's a matter of selling what you've got more effectively."

Operators say they are prepared to foot the bill for increased marketing costs, but at least one analyst, Edward Hatch, predicted it probably will cost more than operators think. And while getting to the 60 percent and 65 percent



penetration levels may be within acceptable costs, he and other says, moving beyond those lofty rates of penetration may prove shockingly expensive.

But on the plus side, several analysts indicated that shifting demographics may play in cable's favor as it enters this new marketing era. As older consumers—a tough demographic to market to—pass away, they will be replaced by an increasingly large proportion of people who always have lived with cable television and view it as an accepted part of modern life.

Even though senior citizens, academic communities and urban areas are particularly difficult markets to penetrate, Gray and others say they must spend the money and energy necessary to bring these sectors of the country into the cable universe. "We have to do a better job of presenting a better case to those who have rejected us," says Gray. "It will require segmenting our markets. There is going to be a lot of innovative developments there, and they will have to be done at the local level."

An emphasis on local management also will be key to providing better customer service, say operators. "There's still a fair amount of sloppiness out there, and as a result a fair amount of consumer resistence," Dodge says.

The problem is a well-known one that has been discussed by the industry for several years now. Warner's Gray said his company has spent "literally millions of dollars" trying to improve customer services operations. While research shows the company is doing a better job, he acknowledges, "we just haven't told our customers."

20%

DATE
FEBRUARY 1980
INDUSTRY REVENUES IN MILLIONS 2,602.7
OF SUBSCRIBERS 15,198,490
% OF TV HOMES PASSED 27.9%
SOURCE: NIELSEN, KAGAN

The exact point in time that cable hits 50 percent penetration is a moving target, but not so other benchmarks in the industry's history. Here and on succeeding pages, we present snapshots from the industry's scrapbook of development, beginning with what was at the time a noteworthy accomplishment—serving a fifth of all television homes.

> 'We have to do a better job of presenting a better case to those who have rejected us.'
>
> —James Gray

Rebuilding plant

While the investments in increased marketing, better customer service, and even buying high-profile will be huge, most analysts are quick to note the costs of raising penetration will not match the investments the industry made in its plant during the late 1970s and the early 1980s. "Increasing penetration is more management intensive than capital intensive," notes Diane Kaufman, a general partner in Media Ventures LP.

What is important, according to John Reidy, is that prudent cable operators invest in marketing and programming to drive up penetration, which will result in higher revenues. "What you want is sustained revenue growth in conjunction with gradually increasing margins. That's what will make the business continuously successful," he said.

But the need to rebuild existing plant will prove expensive. Gray predicts that the cost of rebuilds "will be a very substantial demand" in the future.

As opposed to the cash costs of the building frenzy of the 1970s, rebuilds are being done on an ongoing basis, so that the peaks and valleys in capital commitments are beginning to flatten, and the industry now has a much higher subscriber base against which to amortize the cost.

According to Arthur D. Little's projections, the costs of newbuilds and rebuilds will remain relatively flat if not slightly down from 1987 through 1990 at below $1 billion a year. While the costs of installing and replacing converters will keep capital expenditures around a total $1.5 billion annually during this period, "total industry capital requirements during the rest of the decade will not approach levels experienced in the newbuild era of the early 1980s," the report said.

Even when capital commitments are expected to rise again in the early 1990s as rebuilding activity intensifies, the cable industry's increase in revenues and cash-generating ability will allow it to fund capital requirements internally, said the report.

The bottom line is that, as Barry Kaplan predicted, by 1990 the industry should be generating $5 billion a year in free cash flow available for debt service, new acquisitions, programming, marketing and rebuilding plant.

Analysts would like to see operators "stick to their knitting" by investing in their own businesses. Both Kaplan and Reidy stressed operators should not move into the production of programming or films. "The systems are the unregulated monopoly not the programming," says Kaplan. "Making movies is a different business," Reidy notes. "The attraction of (cable) is its highly predictable cash flows."

But, knowing operators intense interest in boosting the quality and quantity of high-profile programming, it will not be surprising to see them become more deeply involved in the programming business in their drive to move penetration rates through the next major breakthrough point. ■

A personal view 58
Bill Daniels says what 50 percent means from his perspective as one who helped get the industry there.

The downside 60
Cable's opponents are using 50 percent to sharpen their long knives as they intensify their rhetoric.

Madison Avenue's view 64
Advertising executives think 50 percent makes cable a better buy.

Cont. from page 41

Discussions with project directors and corporate strategists at each of these telcos reveal they are all thinking along the same lines. The exception is GTE, which not only sees potential opportunities in wideband network construction but, owing to its freedom from constraints governing former entities of the Bell System, also plans aggressively to explore opportunities in development of new services.

The emerging consensus telco view in approaching these experiments is that very soon it will be financially feasible to build all-fiber, switched systems offering voice, data and video services to the home, if, and it's a major if, the video services can be counted on to deliver a significant share of the revenues going toward recoupment of capital costs.

Southern Bell puts the date by which it intends to be offering to build fiber networks for cable operators or people wanting to become operators at late next year or early 1989. Other telcos appear less certain of the timeframe, but those with tests planned as well as others who are seriously contemplating tests agree that now is not too soon to begin getting real market experience with delivery of services over fiber to the home.

As described by Karen Mangum, project manager for the Hunter's Creek fiber system, which now has about 60 customers, Southern Bell's view of its potential opportunities in wideband communications is typical, though more developed, of the thinking among telcos elsewhere. The company sees itself as being in the business of building telecommunications transport systems. It sees cable operators as service providers who could benefit from utilizing two-way switched fiber systems in the development and delivery of ever more sophisticated service options to the home.

Such systems, capitalizing on the long drop runs that are feasible with fiber, will allow dozens or even hundreds of homes to be served from one hub or switching point in the neighborhood. This architecture provides a big enough customer base per hub to cost-justify the installation of computerized switches that will permit each home an impulse ordering and point-to-point communication capability that could further revolutionize American telecommunications, ushering in such things as home banking, videophones and the home classroom.

Rather than waiting until it's feasible to replace its own narrowband networks on a metropolitan-wide basis within its service territories, Southern Bell wants to focus on CATV-related projects on a more limited scale, ala the planned communities it's already experimenting with or any other types of housing developments, including MDUs, that represent newbuild construction opportunities for the CATV industry.

The upshot of this strategy could well be that two or three years hence cable operators could be confronted with a growing demand among housing developers for state-of-the-art switched fiber systems. The Hobson's choice for cable operators unprepared to bid on construction off such systems could be between allowing the telco to do it or see the business go to some other service provider who has no qualms about telco ownership of the pipeline.

25%

DATE

FEBRUARY 1981

INDUSTRY REVENUES IN MILLIONS

3,716.9

# OF SUBSCRIBERS

19,727,290

% OF TV HOMES PASSED

37.6%

SOURCE: NIELSEN, KAGAN

Taking an aggressive posture in pursuing new construction opportunities in CATV would be an interim step for the telcos in a much bigger agenda. Once telcos could demonstrate a demand for such systems and the services they can provide at the fringes of metropolitan regional growth, they would have created the budgetary justification for switching from copper pair lines to fiber on a region-wide basis.

This strategy of incrementally expanding into ever larger market segments with fiber to the home goes hand in hand with the telcos' rapid placement of fiber "backbone" trunk and feeder lines in their regional networks. Such lines often are laid with no immediate use in mind.

For example, Southern Bell and New York Telephone report they now routinely put in parallel fiber lines with every installation of copper trunk and feeder.

This process is about to be stepped up across the country in the wake of recommendations flowing from research at AT&T's Bell Labs and at Bell Communications Research (BellCore), the R&D entity set up after the AT&T divestiture to serve all components of the former Bell system.

BellCore reports a consensus among the seven regional holding companies on a fiber-based architecture that it claims will provide integrated data, voice and video service to the home at a cost of $2,000 per household. The design calls for one single-mode fiber drop per home delivering four digital channels at rates of 150 Mbit/sec.

For its part, AT&T has just rolled out a line of products dubbed "Fiberway" to provide telcos with a comprehensive systems approach to evolving from copper to fiber. The product line includes composite fiber/copper cables, all necessary passive and interface devices and the components necessary to get signals from switching points at hub sites into the home.

As a result of these developments, New York Telephone is implementing an evolution-to-fiber policy in Manhattan, and BellSouth, the regional holding company parent of Southern Bell, is considering installing fiber and copper together in all future residential and business connections throughout its territory starting next year, according to a company spokesman.

As the pace of events on the business and technology side of telco interest in wideband communications intensifies, much of the legal framework that shapes their activities is suddenly up for re-examination. But the question may not be whether new freedoms must be extended before telcos will venture further down the wideband highway.

It may well be that, to accomplish the ends outlined above, the telcos are very close to having all the freedom they need. In writing the Cable Communications Policy Act of 1984, Congress codified the FCC's so-called cross-ownership rules, prohibiting ownership of cable systems in non-rural operating territory, and further restricted telcos by forbidding them to act as providers of cable television services. The effect of the law has been to force telcos seeking waivers to build broadband systems to come to the FCC with a commitment for full or nearly full utilization of bandwidth by a single cable operator holding a franchise from the local community.

Since the telcos are not expressing an interest in providing cable services themselves, the only barrier to their strategies implicit in these rules is the upfront requirement that bandwidth be fully contracted for with a franchised cable operator. As long as this barrier stands, telcos would appear to be effectively barred from building cable

'It's a testament to our tenacity'

50% has a nice ring to it, but it's only halfway home in serving America

By Bill Daniels

We'll never know, of course, just who signed up for cable TV service sometime in the last few weeks to put our industry, nationally, over the "halfway" mark. An auto mechanic in Dallas, maybe, or a homemaker in North Augusta, Ga. Maybe a banking executive in one of New York City's newbuild boroughs.

Whoever it was, we've been looking for them a long time.

The fact that we found that benchmark home, made our pitch and got the sale means more than we in this fast-moving cable industry might realize just yet. Think about it: more than half of the 87.4 million television homes in America get their television programs on at least one set from a coaxial cable television system. As my friend Jim Mooney put it in a recent comment, cable television has become the primary means of television distribution in this country.

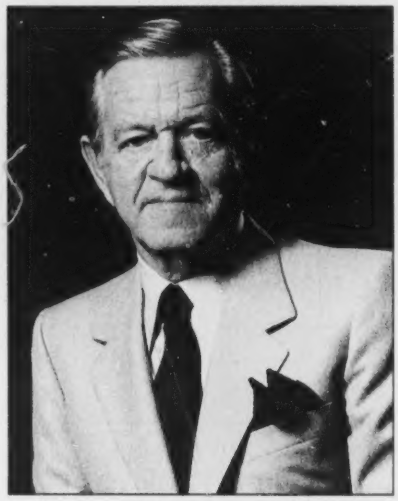
Half the homes in America, and we're still growing like mad. That kind of market penetration is the stuff of dreams for most consumer businesses. Think Lee Iacocca wouldn't like to have a shiny new Chrysler perched in the driveway of half the homes in the U.S.?

What's especially encouraging about the news is that we hit 50 percent while some of our country's biggest television markets aren't completely wired for cable. Entire communities or large blocks of neighborhoods remain unwired in New York City, Los Angeles, Chicago and Washington, D.C. When those markets fully come on line, their density of homes will fuel incremental percentage increases in the cable penetration equation.

Plainly, some of the razz-ma-tazz associated with our latest accomplishment as an industry is purely symbolic. As operators, we've done such a good job in *most* of our mature markets that we passed the 50-percent penetration level, on a local basis, some time ago. Take the example of Connecticut, the leading state as ranked by cable penetration. There, 67 percent of the homes with cable available do subscribe. That type of achievement demonstrates resolutely how we've captured the attention of the American public.

Indeed, there's ample reason to cheer.

Only four or five years ago our network programming services eagerly anticipated the day when A.C. Nielsen and the other researchers would confirm we'd reached a third of the homes in the U.S. That so-called "33-percent solution," as coined by former Young & Rubicam executive Bill Donnelley, was at that time regarded as a key turning point in the ability of program networks to attract national advertisers in a big way. Well, attract they did.



Bill Daniels is chairman of the board of Daniels and Associates. He currently serves on the board of directors of Cable TV Industries, a publicly held TV supply company headquartered in Los Angeles. He also serves on the board of directors of H.F. Ahmanson & Co., owner of Home Savings of America.

So if 33 percent penetration was a milestone of sorts, what comes with 50 percent? Even more so, what happens when we edge that number up, nationally, to 60 or 70 percent?

We can gauge part of the answer on what our birds-eye perspective tells us about cable's presence in today's market. Take a look around your own neighborhood. That's us you see next to your local Bell company and power utility up on the pole, delivering video signals to most of the homes on the block. Do a little community polling. You'll find a legion of informed viewers who loyally watch CNN every day. I remember when Ted Turner, inaugurating CNN, said "When the world comes to an end, CNN will be there to cover it." I stood beside him at that moment, believed him then, and I believe him now. While you're out investigating, walk down to the local high school. Ask the students what was on TV last night. Even money says it was MTV, not NBC.

The bottom line: our hard work has created a deeply ingrained presence in the daily lives of a majority of Americans. It's a testament to our tenacity, against shackling regulation and fierce competition, that cable television to most Americans has come to be such a routine guest—like the daily newspaper, really—in homes across the country.

So much for the accolades. Let's not forget that a signpost we reached after more than 30 years of struggle—"the 50 percent solution," if you will—came about as a result of hard work and perseverence. We didn't get here by being lazy. Or cocky.

Yes, we're finally deregulated. But if we're to achieve that 70 percent in the next few years, we can't abuse our newfound freedoms. In every battle we've fought over the last 30 years, we've had two staunch allies: Wall Street and Main Street. If we allow ourselves to forget that, to take for granted the support of the financial community and the American public, then bank on it: we're in deep trouble.

Let's salute our latest achievement. It's a grand one, to be sure. Let's celebrate it and champion it and tell it to the world and let's not forget about it. But when that party's over, let's not rest on our proverbial laurels. Sure, 50 percent has a nice ring to it. But it's only halfway home. And right now, I sort of have a soft spot for the number 70. ■

Storm clouds gather in Washington as competitors seek political solutions

Hollywood, broadcasters sharpening their long knives on cable dominance issue

By John Wolfe

In the political arena, 50 percent penetration represents a double-edged sword for the cable industry. On the positive side, the symbolic milestone mirrors the industry's growing economic and political clout and, industry proponents claim, gives the business an increasingly sizeable constituency.

But the cable industry's growth and profitability have long-term implications for a host of public policy issues, and if reaching the long-awaited 50 percent threshold has a downside, it's on the policy front, industry observers caution. At the very least, the notion of more than half the nation's television homes wired for cable makes ideal rhetorical fodder for cable's opponents in Washington.

But more importantly, the 50 percent benchmark underscores how dramatically the relationships between cable, broadcasting and Hollywood have shifted, and in many political corners, it's cable that is perceived as having the upper hand. And many observers predict that Congress, spurred by the tangible evidence of cable's growing dominance, will sharpen its focus on cable-related policy issues.

Larry Irving, counsel to the House telecommunications subcommittee, which will hold "extensive" oversight hearings on the cable industry later this year, expects 50 percent penetration to help boost congressional interest in cable.

"The political implications mean that we will have to take a good, hard look at the competitive realities," Irving says. "We've got a playing field out there," Irving notes, "but no one knows the relative strength of the teams."

Symbolic impact

Industry officials and opponents alike maintain that the impact of 50 percent penetration on cable in Washington will be largely symbolic. (It certainly won't be as dramatic as it once might have been: a 1971 report on cable regulation from the White House's now-defunct Office of Telecommunications Policy recommended that the industry be regulated as a common carrier when penetration reached 50 percent.)

James Mooney

National Cable Television Association President James Mooney asserts that the 50 percent landmark represents "both a tangible event and a symbol of cable reaching critical mass as a primary television medium." But one political impact, Mooney says, will be to "add another line of rhetoric to the diatribe" by the industry's opponents.

As cable gains critical mass, its competitors become "more and more nervous," Mooney observes. As a result, those competitors will "explore political solutions to their competitive problems," he claims.

Cable's competitors "have assumed we were this powerful for some time," adds Steve Effros, president of the Community Antenna Television Association. "Now," Effros says, "it just flows out of the mouth a little easier."

The Association of Independent Television Stations expresses it differently. "It's been clear for awhile that cable has gained the upper hand, thanks to Congress, on everyone else in the television marketplace," asserts INTV President Preston Padden. Congress, he claims, "has grave reservations about what it's created with this marginally regulated monopoly."

Jack Valenti, president of the Motion Picture Association of America, predicts that cable's increasing power "will play in the congressional arena." Penetration "is going to go a lot higher," he says. "If you look into the future," Valenti continues, "Congress knows where that curve is going. It's not going down."

Valenti puts cable penetration "as high as 70 percent" by the end of the decade, when more of the major urban markets will be wired.

Competitive friction

As cable penetration increases, many observers note, so too does the competitive friction between cable and competing industries. That appears particularly evident in cable's relationship with the broadcasting community, which now must rely on cable to reach nearly half of the nation's television households.

"If half of the homes in this country get their television via cable, if you're a broadcaster and not on cable, you might as well be off the air for that 50 percent," claims Baryn Futa, vice president and general counsel for the National Association of Public Television Stations. "That," he adds, "is the hard reality of 50 percent."

Futa claims that the 50 percent benchmark has "critical political implications" for the cable industry. "They are in control of what video product gets into the home," he says. "That's incredible power."

Futa also notes that the broadcasting industry, when it amassed similar market power, was burdened with public interest responsibilities.

"Who's to say that cable shouldn't have those same obligations?" he asks.

With cable penetration growing, continued must-carry rules become crucial, many broadcast industry executives maintain. The Federal Communications Commission's interim rules, already subject to constitutional challenge by a group of cable operators, expire in five years. But key Congressional leaders have expressed a desire to remove the sunset.

Irving terms must-carry one of the policy areas "most impacted" by 50 percent penetration. "If you're not gaining carriage, you're just not there in cable homes," Irving says. "That's a public policy question we have to look at."

Indeed, broadcasting leaders note that the industry has sought must-carry rules with continually increasing penetration in mind. Cable's potential growth "is one of the reasons we fought so hard for the must-carry compromise," observes National Association of Broadcasters President Eddie Fritts. "It's very important that local broadcasters be afforded carriage on local cable systems," Fritts says. Then, he adds, "let them compete" with cable networks for viewers.

But the larger issue, Fritts maintains, is how cable will be treated in the legislative and regulatory arenas. "There is a whole range of policy issues which will be impacted by a changing mood in Congress," Fritts predicts. And apparently, that shifting perception is that the cable industry can no more be viewed as an upstart competing against successful entrenched industries.

"Now, there won't be any underdogs," states Joel Chaseman, president of Post-Newsweek Stations and chairman of the Television Operators Caucus. As a "contending force" with broadcasting, Chaseman says, cable can't expect to enjoy the same level of success in Washington.

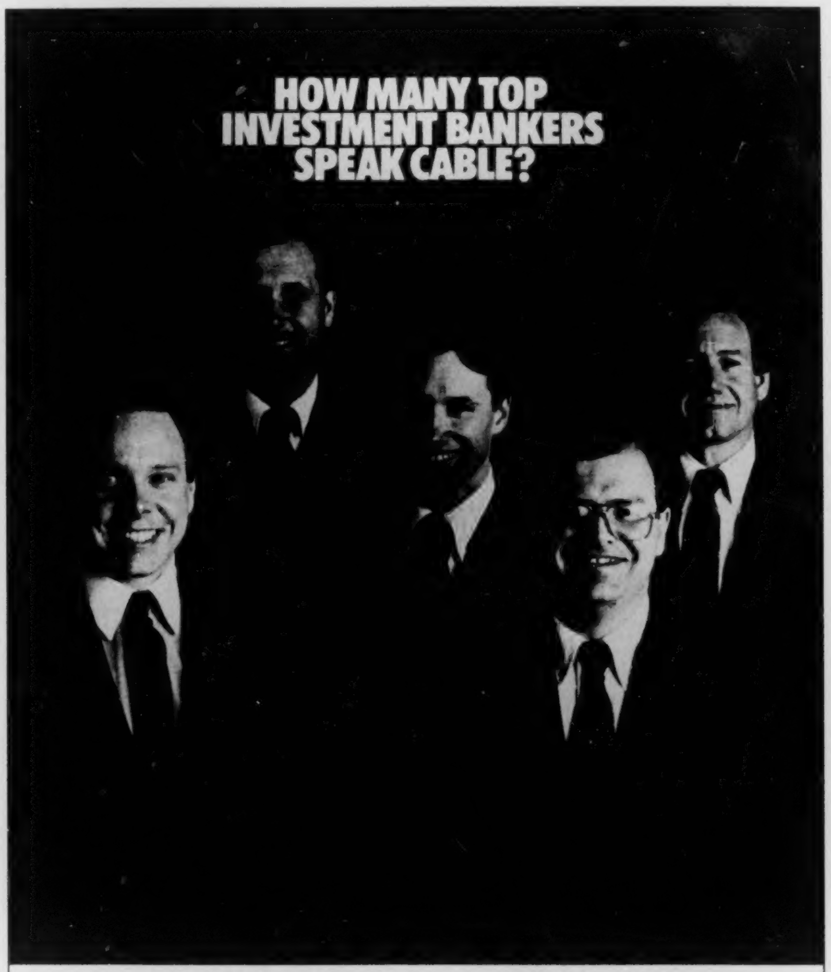
For example, many observers expect that cable's growing dominance will make it more difficult for the industry to argue that it still needs its compulsory license to import distant broadcast signals. In Congress, "there is going to be a hard look at anything that smacks of government subsidy or a tilted playing field," Futa says.

"Cable has the benefits of a regime premised on cable having an underdog status," agrees Tom Rogers, NBC vice president, policy planning and business development, and former chief counsel to the House telecommunications subcommittee. "That status," he says, "is no longer valid."

"Clearly, it's hard to suggest that (beneficial legislation) is needed as cable crosses over the 50-yard line," adds Tom Herwitz, Fox Television Stations vice president of corporate and legal affairs. "Where cable market power is concerned," says Herwitz, continuing his football analogy, "it's goal to go from the one yard line."

Herwitz also notes that the broadcasting industry became concerned with cable's increased market power long before it reached half of all TV households. "I don't think it takes 50 percent for you to start worrying," he opines. "I think it's a much smaller number."

In addition to must-carry, cable's growth as represented by the 50 percent milestone also will have an impact for the broadcasting and production communities on the related issues of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Pictured above, left to right, Bill James, Tim David, Bruce Godfrey, Bruce Dickinson and Jay Busch

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REGULATIONS

the compulsory license and syndicated exclusivity. Herwitz, for example, expects increased cable penetration to help support the argument that syndex protection for broadcasters should be reimposed.

Herwitz notes that the cable industry has long championed the need for cable-only programming aimed at attracting and retaining subscribers. "Certainly, the foundation for such a venture grows with the amount of penetration," he says. The flip side, Herwitz asserts, is that cable should honor the broadcasting industry's right to exclusivity.

According to Rogers, the increased revenues to operators which flow from increased penetration is equally as important as the penetration percentage itself. "Cable has an enormous amount of economic leverage in the marketplace," he observes. The key issue, Rogers adds, is whether cable's economic clout "warrants access to programming on a below-market rate," and cable needs to "fess up and address that issue very, very quickly."

Fifty percent penetration, Rogers stresses, underscores the importance of exclusivity to broadcasters. As penetration rises and broadcasters must compete against more and more channels for viewers, the ability for a local broadcaster to differentiate its programming becomes crucial, he explains.

"Beat the clock" mentality

Concentration of ownership also is expected to emerge as a major policy issue, spurred both by increased cable penetration and what some observers call a "beat the clock" mentality which has the major multiple system operators acquiring systems at a record clip, before Congress steps in to slow the trend.

MPAA's Jack Valenti has led the charge against continued cable growth. Over the past year, Valenti claims, "Congress and others in the communications business have become much more aware of the menace of an unregulated monopoly being dominated by one or two companies." That "menace," Valenti says, becomes more evident as cable penetration moves beyond 50 percent.

MPAA claims that 46 percent of all cable subscribers are directly or indirectly controlled by five companies. Two major MSO's—ATC and TCI—control 34 percent of all subs, with TCI alone controlling 22 percent of the cable universe, MPAA asserts.

Congress, Valenti predicts, "is going to recognize that when you first deal with a monopoly, then let one or two companies be the prime dominant force in a gathering of monopolies, then where does the consumer take his grievances?" Congressional interest in cable concentration, Valenti says, will be bolstered to the extent that cable's penetration curve extends beyond 50 percent.

dVertical integration by major MSOs investing in programming services is "inextricably linked" with concentration of system ownership, Valenti adds. Increased cable penetration, he says, "is going to call for some harness on how big any one company can be, and whether or not you can be a giant MSO controlling one-third of all subscribers then program for those subscribers." Those issues "are becoming very relevant," Valenti states, "and they become more relevant as cable gets larger."

It's also an issue which has piqued the interest of the broadcasting community. "There are those who are concerned that cable has the privilege of controlling its delivery system and the information which is delivered as well," NAB's Fritts maintains. "A lot of people are watching that with raised eyebrows," he adds, "and we will continue watching it as well."

30%

DATE

FEBRUARY 1982

INDUSTRY REVENUES IN MILLIONS

5,097.2

# OF SUBSCRIBERS

23,726,220

% OF TV HOMES PASSED

46.2%

SOURCE: NIELSEN, KAGAN

Industry observers point out that cable's growing economic clout may help the cause of those such as the backyard dish industry, SMATV and MMDS operators, who would like to compete with cable for the delivery of video product. The House telecommunications subcommittee's Irving echoes that point.

"Some argue that cable is at 50 percent penetration because the government helped," Irving says. "Other industries say they now need that same help to compete with cable."

Irving also cautions that cable's growing strength may also be a factor in whether telephone companies are ever able to enter the video distribution business. Some legislators, Irving notes, are becoming sympathetic to those who argue that the cable industry is "strong enough now to withstand competition" from telcos.

"As cable gets bigger and has more economic clout, then the arguments that the industry used to levy against telcos coming in and taking over the cable business are less valid," agrees NBC's Rogers. But the "conceptual" problems many legislators have with unleashing the telcos into the information services business are not lessened by cable's increasing reach, he adds.

Emphasis on behavior

Cable industry leaders concede that at the very least, the positive symbolic aspects of finally reaching 50 percent penetration also will add to an increased level of rhetoric among cable's competitors. But they also stress that responsible behavior by operators in the marketplace, not politics, will be the key to fending off unwanted government intrusion into the business.

"In the end, the politics, the statistics and the economists' theories aren't the things that swing the balance," NCTA's Mooney stresses. The "behavioral characteristics" of the industry, he predicts, will have the most influence on Capitol Hill.

NCTA Chairman Jim Cownie, president of Heritage's Telecommunications Group, expects the cable industry will "want to accept a greater sense of responsibility" as penetration crosses the 50 percent threshold. That responsibility includes being "especially committed to serving the consumer interest," he adds.

Cownie cites two keys toward demonstrating that responsibility: speeding up the industry's attack on "inferior" customer service; and demonstrating "continued restraint" on price increases.

Mooney, too, urged operators to "exercise great care" in the marketplace. "We from time to time run the danger of shooting ourselves in the foot," Mooney frankly observes. "We don't need any unnecessary controversies."

Meanwhile, the message the industry will attempt to convey to Congress and others is that cable has improved television. And most policymakers are "happy to see cable succeeding," Mooney claims, since it vindicates their decision to "set cable free" by enacting the 1984 Cable Act.

"The primary thing cable has going for it in the political world," Mooney asserts, "is that cable brings something new and different to the TV landscape." ■

It's back to the future in some markets that have achieved near-universal service

While the cable industry as a whole places much economic and symbolic significance on reaching the 50 percent benchmark, that rate would represent a marketplace failure of enormous proportions for a substantial chunk of the business.

Many cable systems, particularly those which were built to bring broadcast stations into underserved areas, passed the 50 percent milestone over a decade ago. Now, the nation's most heavily penetrated systems serve more than 80 percent of their markets—a business proposition which carries with it both luxuries and marketing challenges, according to executives at some of those systems.

"It's a ball," enthuses Mark Matthews about operating in Palm Springs, Calif., the nation's most heavily penetrated television market. Matthews is general manager of Warner Cable of Palm Springs, which has about 27,000 subscribers and a penetration rate of 84 percent.

Matthews offers a candid assessment of why cable is so successful in the Palm Springs area: "There are two mountain ranges between us and Los Angeles."

The Palm Springs system is typical of those cable systems which enjoy unusually high market saturation. "It's a small, old system," Matthews says.

With the market so saturated, Matthews says his company can shift its marketing focus away from signing basic subscribers and toward selling pay services, which has been difficult in Palm Springs because of the high number of resort units.

But Matthews also stresses that with so much of the community dependent on cable for its television, good service is a priority. "It's critically important. If the system goes down, we've got a real problem."

Dave Woodrow, vice president and general manager of Cox Cable of Santa Barbara, also emphasizes the importance of customer relations. Nielsen puts the cable penetration in the Santa Barbara-Santa Maria-San Luis Obispo TV market at 82.2 percent, which puts the market second behind Palm Springs. Cox's Santa Barbara system, with 57,000 subscribers, has a 76 percent penetration rate.

But Woodrow notes that a heavily penetrated market does not translate into a captive market. "The focus we have is that the key, whether we're heavily saturated or not, is to be able to give the consumers what they want," he says.

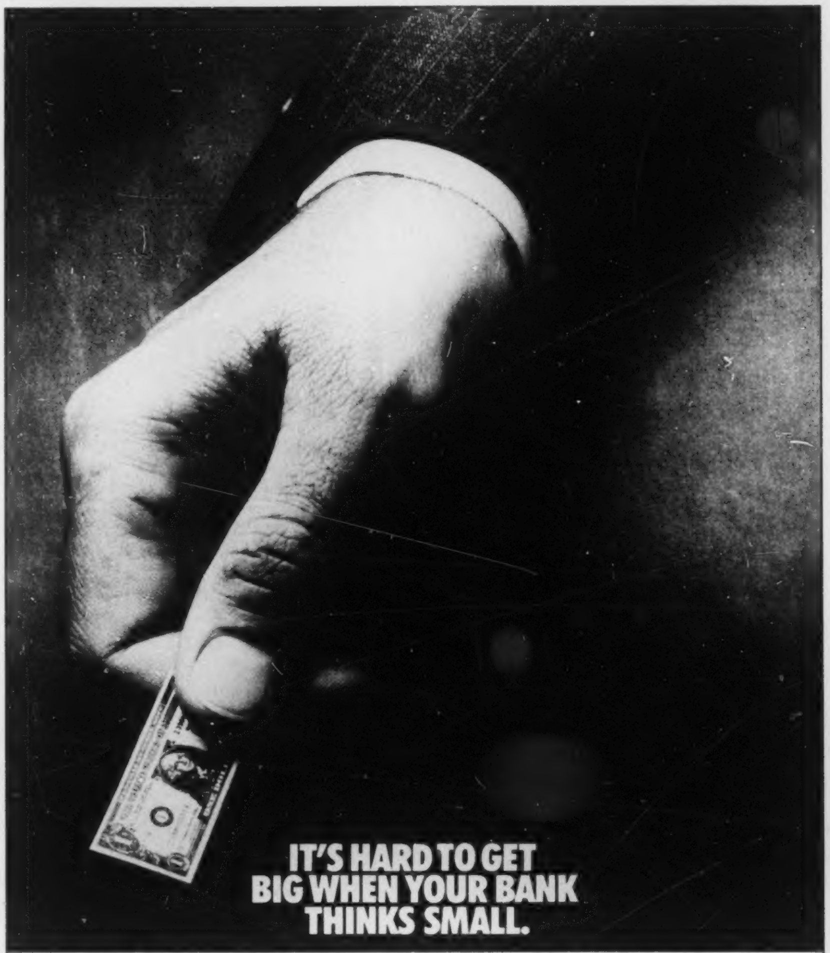
That philosophy becomes even more important with a rate increase pending later this year. In a saturated market, "you have to push up the basic rates" for financial growth, Woodrow notes. In return, "we have to continue, as an obsession, our focus on the consumer."

Increased revenues from basic are crucial largely because of the difficulty of marketing high-priced pay channels in Santa Barbara, Woodrow says. A wide majority of Cox's subscribers signed on to receive Los Angeles broadcast stations, and "that's really all they want," he explains.

Pay penetration at the Santa Barbara system stands at about 50 percent. Woodrow concedes that it's been "hard to cost-effectively push pays," but expects that with pay prices lowered as basic rates rise, pay penetration will gradually increase.

The situation necessitates cost control and "being smarter in running our business," Woodrow notes. For example, Cox does not have a direct sales force. Telemarketing is more cost-efficient, according to Woodrow.

—John Wolfe



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CAB will 'make quite a do about' numbers in fall

Despite industry's subscriber gains, audiences, ads still seen in broadcast

By John Motavalli

Despite the gains cable has made against broadcasters in audience shares, advertising agencies and media analysts caution that the three networks and independent stations still command much more of a mass audience, and will continue to do so for the forseeable future. Advertisers and agencies wanting to reach the big numbers are still going to be looking first to broadcasting, although they will be taking cable more and more seriously.

Opinion is divided as to whether the major cable networks ever will reach audiences anywhere near as large as ABC, CBS and NBC have long enjoyed. "It's not a given that cable will ever reach 70 or 80 percent penetration," says Robert Watson, corporate media director at AT&T.

BBDO Worldwide's Arnie Semsky, executive vice president of media programming services, says that his agency predicts that cable will reach 60 percent penetration by 1990, a slight devaluation of an earlier prediction, mainly caused by the slow progress in wiring major markets such as New York City. He said long-term prospects are hard to project because important questions remain unanswered. "The biggest factor will be the distribution system—it could all be done by telephone cable," he notes, a reference to the extemely iffy prospect of telephone fiber optic technology in the cable marketplace.

Another BBDO executive, Bill Wiener, senior vice president of the agency's video development group, says cable might be well advised to pitch agencies on how it is going to reach traditional cable hold-outs. "The critical issue is that cable is available to three-quarters of U.S. households now," he notes. "Rather than blue-sky penetration figures, someone should address what can be done about the high rejection rate among homes that already have access to it."

Bullish projections

Despite such cautionary notes, agencies and analysts have been making bullish projections on cable growth recently. In an extremely upbeat report bannering the news that "cable is no longer broadcast's stepchild," the DFS Dorland Worldwide agency noted that cable now has a presence in all 213 television ADI's. "Ratings on cable may still be small, given the sheer number of networks competing for their share of the viewing pie, but the overall growth pattern can no longer be denied." Cable represents "a more efficient time buy than nighttime broadcast network, by as much as 40 to 60 percent," the report stated. "Improved programming may result in increased share of dollars for cable in the coming year, but not at higher CPM's."

35%
DATE
NOVEMBER 1982
INDUSTRY REVENUES IN MILLIONS
5,097.2
OF SUBSCRIBERS
29,340,570
% OF TV HOMES PASSED
46.2%
SOURCE: NIELSEN, KAGAN

Media analyst Dennis Leibowitz of Donaldson, Lufkin & Jenrette Securities recently released a report, "Cable Advertising Profit: The Promise is Realized," which observes that in 1984 only MTV was making a profit, while Nickelodeon was at break-even. Today, cable channels like Capital Cities/ABC's ESPN are so profitable that, at current multiples of cash flow, the all-sports network is worth about $1 billion, about the same as the ABC Television Network itself.

Leibowitz projects that cable penetration will grow at about 5 percent "for the forseeable future" (Nielsen says it grew about 4 percent between July 1986 and July 1987). Buoyed by this growth rate and the attendant lift in subscriber fees, he reports, the networks owned by Viacom, Turner Broadcasting and Capital Cities/ABC will have a pretax cash flow of well over $200 million this year, and that all ad-supported networks would generate about $250 million in operating income. He contrasted this with the three networks, which had operating income of about $270 million last year, a profit margin of about 4 percent. Add in revenue from home shopping, he says, and cable networks actually are more profitable than the three networks. Cable network operating margins "generally exceed" 20 percent of sales, he noted.

Paul Kagan Associates projects that cable advertising will generate about $1.142 billion this year, up from about $930 million last year, a growth rate of about 10 percent. This is still peanuts compared to the $8.6 billion the three networks took in last year, but the gap is narrowing, especially because the networks' advertising revenue growth rate was at a little over 3 percent last year.

As penetration increases, local avail advertising becomes more and more important, fueled by the growth of regional interconnects. BBDO's Wiener observes that local cable advertising is growing by 20 percent annually as opposed to 10 percent for national billings.

The Cabletelevision Advertising Bureau long has sought to persuade agencies that cable deserves a greater percentage of advertising dollars than the 8 or 9 percent of total network television billings that the important agencies generally allocate to it. CAB also notes that cable ad rates are generally only about 60 percent of traditional broadcasters, and that they sell only about 60 percent of total inventory, compared to near sell-out levels at the networks. One estimate by a McCann Erickson executive, Bob Coen, has cable accounting for 11 percent of the audience but only 6 percent of national television advertising expenditures.

According to CAB President Bob Alter, the 50 percent figure gives CAB a strong reason for a major new push to agencies. "CAB plans a major promotion directed to the industry this fall, a coordinated effort involving the cable networks," he says. "We intend to make quite a do about it. When you're in more than half the households in the country, each share point means a lot."

40%

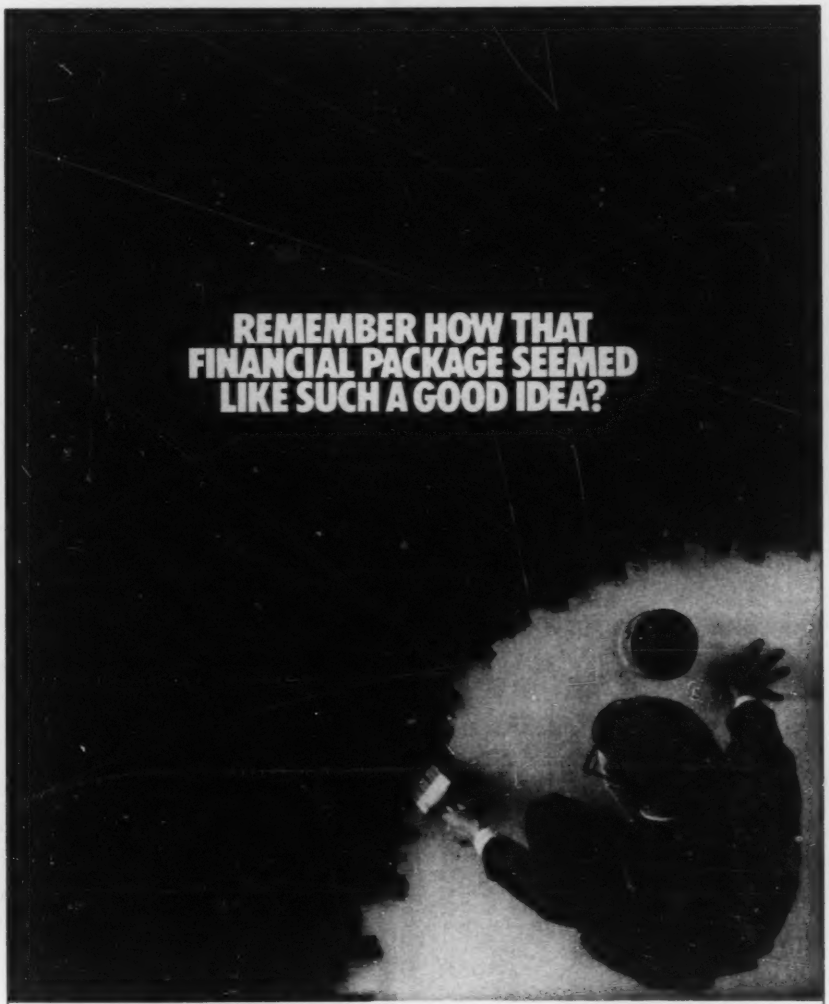
40%
DATE
NOVEMBER 1983
INDUSTRY REVENUES IN MILLIONS
6,511.6
OF SUBSCRIBERS
34,113,790
% OF TV HOMES PASSED
47.3%
SOURCE: NIELSEN, KAGAN

CAB estimates that, in comparing the first six months of 1987 against the first half of 1986, cable satellite networks gained household delivery of more than 1 million in some dayparts—1.01 million households in early fringe, for example. In that daypart in the same time period, broadcast affiliates lost 623,000 homes.

Advertising agencies and their clients acknowledge that such figures are important, but they caution that cable networks have not as a group posted any significant gains in ratings numbers in recent years, the result of a cable dial crowded with almost 50 separate channels as well as competition from independent stations. So while cable as a category is reaching more viewers, individual networks are not necessarily doing so, even with larger subscriber bases.

AT&T's Watson says the 50 percent figure is not vitally significant in figuring his media allocations. "Whether it's 47 percent or 53 percent doesn't make much difference," he cautions. "It's been *slowly* growing to 50 percent, and you should remember that even with syndication we can reach 80 percent coverage of the United States. We do use cable because it reaches a select target audience.

While cable's higher penetration mark means the industry is "coming closer and closer to maximizing its reach," cable's audience is still "geographically scattered," notes Joel Segal, executive vice president at Ted Bates Worldwide. His agency now denotes about 9 percent of its network TV billings for cable, and Segal sees that percentage inching up fairly slowly as cable's numbers improve. ■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Other benchmarks already have made lenders bullish on cable

Buttoned-down Wall Street cool towards watershed penetration mark

By Virginia Munger Kahn

Amid all the excitement generated by the industry's passing of the 50 percent penetration mark, the financial community is taking a decidely low-key approach to the event. For those men and women who raise capital and lend money to the cable industry, the key benchmarks for their consideration already have been hit—the passage of the deregulation bill, the drop in interest rates, the recognition of the cable industry as a cash flow business instead of an earnings-driven business, and most recently, the sale of cable systems for more than $2,000 per subscriber.

In fact, as is often the case with benchmarks, the significance of this event lies more in what it says about the fundamentals of the business and its trends than in the event itself. As numerous financial analysts and bankers noted, the 50 percent number is just one more indication of the continuing financial strength of the business and the continuing upward trends not only in penetration but also in cash flows, cash flow margins, revenues, and many other financial indices.

When it comes to more immediate implications, viewership and advertising probably are the areas most affected by the industry's passage of 50 percent penetration nationwide. "It is probably best put in perspective of TV network viewership," says Edward Hatch, vice president at Shearson Lehman Brothers. The more people subscribe to cable, the more viewers the industry can deliver, the more competitive it is with the broadcasters. "It's in ad revenues that the meaning comes," Hatch added, although he cautioned the industry is far from fulfilling its potential in that sphere.

The message the industry now can deliver to the advertising community, and to the consuming public, is that cable television is a mass medium and that it is here to stay.

That perception of cable television as part and parcel of the mass culture likely will help push penetration up even further. "It's more of a psychological thing," says Barry Kaplan, media analyst at Goldman, Sachs. Now that more than 50 percent of the people in America receive cable television, "a herd instinct" takes over, says Kaplan. It becomes unfashionable *not* to have cable.

That perception of cable as firmly established within the television culture also will spill over into the financial community, despite its reluctance to admit being able to be swayed by such events. An investment officer at Teachers Insurance and Annuity Association, a major source of financing for the industry, notes that while his company has viewed cable television as a legitimate business for a while, passing 50 percent penetration will make it much more difficult for alternative technologies to compete against the industry, thereby adding to the perception of cable's stability.

45%

DATE

NOVEMBER 1985

INDUSTRY REVENUES IN MILLIONS

9,106.7

# OF SUBSCRIBERS

38,673,270

% OF TV HOMES PASSED

47.3%

SOURCE: NIELSEN, KAGAN

Keeping the competition at bay

In recent months cable operators often have said that increased penetration—a dominant position in the marketplace—is key to staving off competing technologies. Not only is the first into a market always in a superior position *vis a vis* the competition, but the bigger the subscriber base, the more cost-efficient the service will be, and the more likely rates can be held at reasonable levels.

For most cable operators, moving above 50 percent means having better control over their destiny. Not only will it help keep the competition off-balance, but the more subscribers the industry signs up, the more revenues it generates. The more revenues and cash flow it generates, the more it can spend on programming and marketing; and the more it can spend on those two items, the more it will control its destiny, for it is programming and marketing that are viewed as the keys to future penetration increases and the future success of the industry.

'If we had to pick one target (for the future) that's it," Bernard Gallagher, treasurer at Comcast Corp., said in referring to increasing penetration. "Everything else will fall from that," he said.

While there is no question that increasing penetration is key to the future of the business, the financial community finds little use for a figure such as *nationwide* penetration. As many observers noted, that figure includes urban areas that have not been wired yet, newbuilds that have not been marketed yet, and areas that never will be wired.

When assessing companywide or system performance, in making a decision on the value of a company or a system, those areas skew the numbers downward. Most MSOs turn in penetration rates above 50 percent, with the majors turning in rates of 55 or 56 percent regularly. Many have systems with 60 percent or 70 percent penetration rates. Their ability to move penetration up from those levels cannot be compared to the nationwide level.

More indicative of the performance of a company in managing its systems is penetration as a percentage of homes passed, said industry observers. In that case, the top 60 cable operators boast a

56.8 percent penetration rate, according to Paul Kagan Associates.

The importance of increasing system penetration lies in the direct effect that has on increasing revenues, cash flows, and cash flow margins. "There is nothing more efficient than increasing penetration," notes one investment banker at a major Wall Street firm. "A new customer just falls right to the bottom line."

At what penetration point that happens, however, is highly variable, depending on the system's or company's financing, its rate structure, whether the system was bought or built, how long ago it was acquired or constructed, the percentage of pay penetration and many other variables. As a rule, however, most of the financial community can agree with the concept that the higher the penetration rate, the more revenue falls to the bottom line.

Ed Hatch

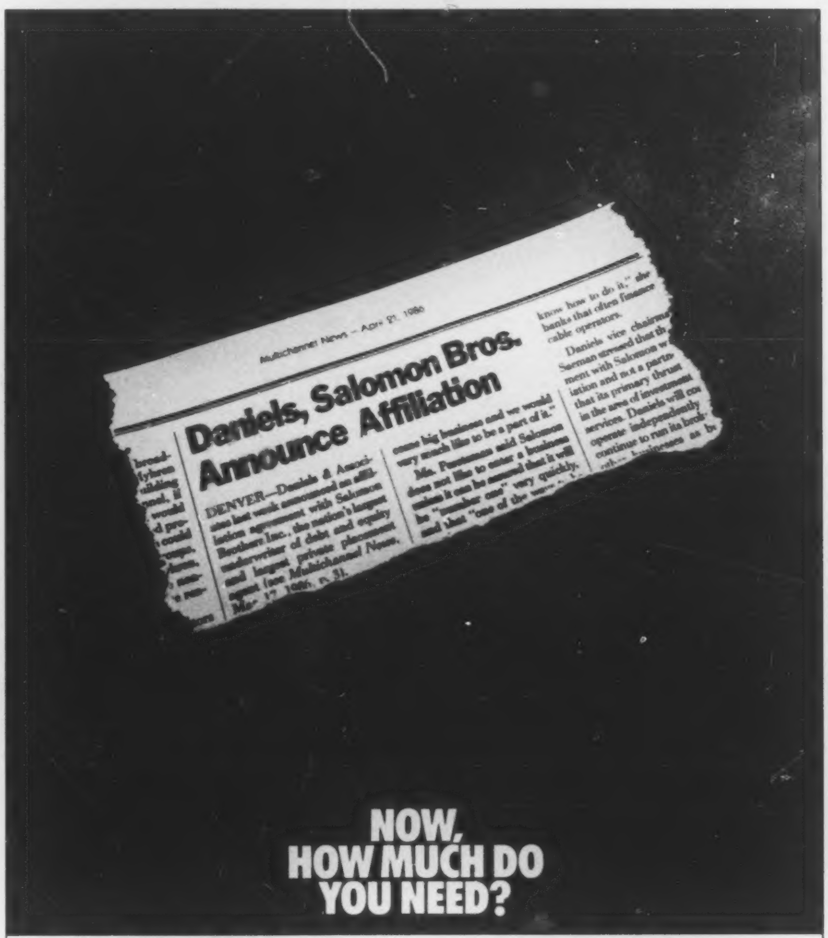
The caveat is that this is not necessarily the case in systems where penetration has plateaued at a high level. The cost of moving that rate up may be higher than in other systems, notes Tom Feige, vice president for the eastern group at American Television and Communications.

Nevertheless, cable is unique in the amount of operating leverage it has, said the investment officer at Teachers. Each incremental increase in penetration can mean double that increment in cash flow, noted Kaplan in a report on the industry issued last February. "Arguably, a 5 percent increase in subscribers from improved penetration might result in a 10 percent increase in operating cash flow," he wrote.

The reason for its high operating leverage is the relatively fixed nature of its costs once the initial capital investment in building the system has been made. Most newbuilds these days become cash flow positive once they hit 30 to 35 percent penetration, notes Shearson's Hatch. Beyond that, things can really start to improve. "There's nothing magical about 50 percent," said Kaplan. "Once the thing is built, that's when the benefits start."

Those figures, however, do not necessarily apply to systems that have been acquired recently. In those cases, the need to rebuild, financing costs, and other considerations play an important role in determining at what penetration point the system starts taking out substantial amounts of money.

The bottom line is that today most investment advisers expect cable companies to do better than 50 percent penetration. "You're really not doing a very good job if you're just at 50 percent," said one investment banker. Moreover, if the system is penetrated


Multichannel News — April 21, 1986
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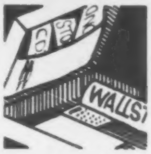

between 50 and 60 percent, it should be generating plenty of cash flow.

If the financial community sees any immediate benefit from the passage of 50 percent penetration nationwide, it is in the industry's ability to use that excess cash flow to leverage up their companies, thereby adding value, and to reach the critical mass whereby ancillary revenue sources, such as pay-per-view, home shopping, and advertising, can be developed. John Reidy, long-time media analyst and industry observer at Drexel Burnham Lambert, notes that as the industry passes into higher penetration territory, the potential for even more new services becomes that much greater.

The industry already has demonstrated the financial clout an increasingly large base of subscribers can provide for improving programming. The winning of the NFL contract is the first step in a process that many industry observers believe ultimately will end with bids for the Super Bowl and the World Series.

At least a few industry analysts said attainment of the 50 percent penetration mark testifies to the increased attractiveness of cable programming, improvements in marketing and customer service, and its inculcation into the mass culture as "television." If the financial community is uninterested in the 50 percent benchmark, notes Fred Smith, managing director at First Boston Corp., it should at least pay attention to what drove the industry to that level in the first place.

What is significant for the fundamentals of the business today is that basic programming is driving the business. Since cable operators keep far more of the revenues they generate from basic programming, increased levels of penetration mean increased potential for margin improvements.

Benchmarks

What have become far more important benchmarks for the financial community than passage of 50 percent penetration have been the events of the last two years—the end of the intensive franchising and newbuild phase, passage of the Cable Act, the decline in interest rates, the shift in corporate America from valuing companies on the basis of earnings to cash flow. All these factors have made cable television highly attractive to financiers, and the benchmark on subscribers could hardly add more lustre to the business, they said.

'It's pretty damned well established with the investment community already," said Reidy. "Systems are trading for 14 times cash flow and the (public) market is valuing them at 60 to 85 percent of that," he said. While he notes that the people who invest in cable are a small part of the total investment community, he said it would take much more—primarily a heavy emphasis on earnings—than 50 percent penetration to attract that larger group of investors to the industry. Moreover, as Diane Kaufman, a former executive with Mutual of New York and now a partner in her own firm, Media Ventures LP, notes, "the business has so much capital attracted to it already, they hardly know what to do with it."

Comcast's Gallagher summed up the view of many financial executives when he noted, "Fifty percent itself is not significant. It's not a goal or plateau. What it is is a stepping stone, or a progress mark to some higher level of penetration."

How operators get to that next level is the big question for the next five years. ■

NOTES

Financial/Stocks

TCI reports second quarter earnings

DENVER—Tele-Communications Inc. reported the company's revenues increased 144.1 percent and 146.9 percent for the three months and the six months ended June 30, 1987, respectively, over amounts reported for the corresponding periods in 1986.

Revenues for the three month period increased from $161,624,000 to $394,488,000 and revenues for the six month period increased from $312,178,000 to $770,712,000 over the same period in 1986.

Net earnings for the three month period were $25,958,000 compared to net earnings of $51,641,000 for the same period in 1986. Net earnings of $43,345,000 for the six month period compared to net earnings of $54,083,000 for the same period in 1986. Earnings amounted to 15 cents per share for the current three month period and 26 cents per share for the six month period. The decrease in net earnings for this year has been attributed to decreased gains on sales of assets, net of the effects of improved operating results, lower interest rates on variable rate indebtedness, reduced share of losses from affiliates and lower income tax expense, according to the company.

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Suite E-319
Atlanta, Georgia 30338

The firm's new telephone number is:
(404) 668-9577

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Cable Television Brokerage

Industry Growth

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs.	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs.	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite Lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	12
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
Genesis Storytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
The Travel Channel	16
Trinity Broadcasting Network	3
TV Decisions	24
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
C-Span II	8
Gospel Music Network	3
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
The Motivation Network	3
National Black Network	19
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
The Silent Network	23V
SportsChannel-New England	23
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	13
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Video Mall Network	22
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
C-SPAN	24V
C-SPAN II	14V
National Shopping Club	23
The Meadowlands Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner.
Source: International Thomson Communications Inc.

Top 100 MSO's

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	4,200,000	(4/87)
2.	American Television and Communications Corp.	3,540,000	(6/87)
3.	Continental Cablevision	1,456,000	(4/87)
4.	Storer Cable Communications	1,395,000	(7/87)
5.	Cox Cable Communications	1,383,015	(6/87)
6.	Warner Cable Communications Inc.	1,341,613	(6/87)
7.	Comcast	1,258,242	(5/87)
8.	United Cable	1,086,457	(4/87)
9.	Newhouse Broadcasting	1,028,543	(8/87)
10.	Heritage Communications Inc.	1,010,717	(5/87)
11.	Viacom Cablevision	996,000	(6/87)
12.	Jones Intercable	915,000	(8/87)
13.	Times Mirror Cable Television Inc.	873,087	(7/87)
14.	Sammons Communications Inc.	826,581	(5/87)
15.	UA Cablesystems Corp.	771,278	(5/87)
16.	Cablevision Systems Corp.	707,800	(5/87)
17.	Paragon Cable	632,000	(5/87)
18.	Century Communications Corp.	600,000	(12/86)
19.	Rogers Cablesystems Inc.	535,207	(2/87)
20.	Daniels & Associates	534,344	(6/87)
21.	Cable Vision Industries	510,100	(5/87)
22.	Telecable Corp.	497,145	(3/87)
23.	Centel Cable	493,765	(4/87)
24.	American Cablesystems Corp.	461,591	(6/87)
25.	Adelphia Communications	443,519	(7/87)
26.	Cooke Cablevision	435,000	(6/87)
27.	Scripps-Howard	380,000	(6/87)
28.	Falcon Cable	379,000	(2/87)
29.	Wometco Cable TV Inc.	377,436	(7/87)
30.	Post-Newsweek	372,344	(4/87)
31.	Prime Cable Corp.	330,709	(7/87)
32.	TCA Group	328,071	(4/87)
33.	Multimedia Cablevision	298,112	(6/87)
34.	Tele-Media	285,300	(3/87)
35.	Colony Communications Inc.	259,229	(4/87)
36.	Maclean Hunter Cable TV Ltd.	250,215	(2/87)
37.	Rifkin & Associates	250,000	(4/87)
38.	Lenfest Group	239,825	(6/87)
39.	Western Communications	238,215	(4/87)
40.	Communications Service Inc.	210,000	(12/86)
41.	Service Electric Cable TV Inc.	195,000	(3/87)
42.	TCI-Taft	191,915	(5/87)
43.	TKR Cable Co.	190,417	(4/87)
44.	Adams-Russell Communications	175,000	(7/87)
45.	Cencom Cable	173,042	(5/87)
46.	Hauser Communications Inc.	170,000	(6/87)
47.	Harte-Hanks Communications	153,119	(4/87)
48.	Harron Communications	151,902	(3/87)
49.	Media General Inc.	151,211	(7/87)
50.	Greater Media	146,951	(4/87)
51.	Sutton Capital Corp.	145,475	(4/87)
52.	Marcus Communications	141,052	(3/87)
53.	Armstrong Utilities	139,060	(7/87)
54.	Palmer Communications	137,936	(5/87)
55.	Televents Inc.	129,801	(2/87)
56.	Blade Communications	128,378	(4/87)
57.	Essex Communications Corp.	126,745	(7/87)
58.	Summit Communications	118,134	(4/87)
59.	U.S. Cable Corp.	114,486	(5/87)
60.	First Carolina Communications Inc.	114,104	(1/87)
61.	Simmons Communications	112,537	(7/87)
62.	Multi-Channel TV Cable Inc.	109,412	(7/87)
63.	Sonic Communications	109,240	(5/87)
64.	Columbia International	109,000	(7/87)
65.	Scott Cable Communications	106,277	(7/87)
66.	Booth Communications	104,376	(5/87)
67.	Bresnan Communications Co.	104,136	(4/87)
68.	King Videocable	102,000	(3/87)
69.	Northland Communications	101,735	(8/87)
70.	M.L. Media Partners	98,165	(4/87)
71.	Susquehanna Broadcasting	90,923	(3/87)
72.	McDonald Group	90,079	(8/84)
73.	Midcontinent Cable Systems Co.	88,104	(3/87)
74.	James Communications	87,533	(2/87)
75.	WEHCO Video	87,448	(3/87)
76.	United Video Management	82,763	(6/87)
77.	Pencor Services	79,028	(3/87)
78.	Omega Communications	77,626	(1/87)
79.	C4 Media Corp.	68,171	(7/87)
80.	Selkirk Communications	66,581	(5/87)
81.	Wisconsin Cablevision and Radio Co.	63,425	(3/87)
82.	Acton Corp.	60,035	(1/87)
83.	Mountain Cable Co.	58,650	(7/87)
84.	Masada Corp.	58,293	(4/87)
85.	Galaxy Cablevision	56,462	(3/87)
86.	Cardinal Communications	54,000	(5/87)
87.	Chambers Communications Corp.	53,809	(3/87)
88.	Enstar Communications	53,121	(6/87)
89.	Insight Communications	52,966	(6/87)
90.	North American Comm. Corp.	50,616	(3/87)
91.	Tidel Communications	50,427	(4/87)
92.	State Cable TV	49,956	(7/87)
93.	Hearst Communications of California	49,447	(4/87)
94.	Helicon Corp.	48,000	(4/87)
95.	New England Cablevision	47,005	(7/87)
96.	Joseph Gans Cable TV	46,532	(11/86)
97.	Dowden Cable	46,016	(6/87)
98.	Commonwealth Cable Systems	45,900	(5/87)
99.	Donrey Cablevision	44,112	(4/87)
100.	CableAmerica	43,082	(1/87)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 Systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	282,381	(6/87)
2.	Woodbury (Long Island), NY	Cablevision Systems Corp.	282,000	(5/87)
3.	Manhattan, NY	ATC	233,200	(6/87)
4.	San Antonio, TX	Rogers	220,510	(3/87)
5.	East Orange, NJ	Maclean Hunter	189,917	(3/87)
6.	Houston, TX	Warner	184,926	(6/87)
7.	Honolulu, HI	ATC	182,500	(6/87)
8.	Puget Sound, WA	Viacom	175,000	(1/87)
9.	Phoenix, AZ	Times Mirror	165,688	(7/87)
10.	Cincinnati, OH	Warner	156,863	(6/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	155,480	(7/87)
12.	Wayne, NJ	UA Cablesystems	154,622	(5/87)
13.	Englewood, CO	United Cable	154,165	(4/87)
14.	Hampton Roads, VA	Cox Cable	146,972	(6/87)
15.	Tulsa, OK	United Cable	145,350	(4/87)
16.	Rochester, NY	ATC	145,300	(6/87)
17.	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
18.	Cherry Hills, NJ	NYT	145,075	(7/87)
19.	Orlando,FL	ATC	143,500	(6/87)
20.	Atlanta, GA	Prime Cable Corp.	140,737	(7/87)
21.	Fairfax, VA	Media General	140,500	(7/87)
22.	Hartford/Plainville, CT	United Cable	136,479	(2/87)
23.	Jacksonville, FL	Continental	136,000	(4/87)
24.	Kansas City, MO	ATC	130,000	(6/87)
25.	Baltimore County, MD	Comcast	128,552	(5/87)
26.	Buffalo, NY	Adelphia Communications	128,105	(4/87)
27.	Erie County, NY	Adelphia	127,160	(3/87)
28.	Seattle, WA	Tele-Communications Inc	125,000	(12/86)
29.	Manhattan, NY	Paragon Cable	125,000	(5/87)
30.	Memphis/W. Memphis, TN	ATC	120,400	(6/87)
31.	San Jose, CA	Gill Industries	119,100	(2/87)
32.	Charlotte, NC	ATC	118,791	(3/87)
33.	Long Island, NY	Viacom	112,000	(1/87)
34.	Austin, TX	ATC	110,900	(6/87)
35.	San Diego, CA	ATC	107,400	(6/87)
36.	San Francisco, CA	Viacom	106,500	(1/87)
37.	Pompano, FL	American Cablesystems	106,224	(6/87)
38.	Toledo, OH	Blade Communications	105,500	(7/87)
39.	San Juan, PR	ML Media Partners	104,823	(11/86)
40.	Warren, NJ	TKR	104,569	(6/87)
41.	Dallas, TX	Heritage	102,281	(5/87)
42.	Southeast Michigan	Comcast	100,031	(5/87)
43.	Jefferson Parish/Kenner, LA	Cox Cable	97,718	(3/87)
44.	Pinellas County, FL	Vision Cable	94,996	(4/87)
45.	Wilmington, DE	Heritage	94,645	(5/87)
46.	Grand Rapids, MI	UA Cablesystems	94,542	(5/87)
47.	Dade/Broward, FL	Storer	91,511	(7/87)
48.	Escondido, CA	Times Mirror	90,893	(7/87)
49.	Indianapolis, IN	Comcast	88,821	(5/87)
50.	Raleigh/Durham, N.C.	ATC	88,198	(3/87)
51.	Richmond, VA	Continental	86,866	(3/87)
52.	Pittsburgh, PA	Tele-Communications Inc	85,000	(12/86)
53.	Oakland County, MI	United Cable	82,304	(2/87)
54.	Boston, MA	Cablevision	82,100	(5/87)
55.	Wichita, KS	Multimedia Cablevision	81,995	(5/87)
56.	Tacoma, WA	Viacom	80,500	(2/87)
57.	South Texas, TX	Heritage	79,981	(5/87)
58.	Flint, MI	Comcast Cable	79,812	(5/87)
59.	Milwaukee, WI	Warner	78,635	(6/87)
60.	Orange County, CA	Times Mirror	78,287	(7/87)
61.	Baton Rouge, LA	Daniels & Assocs	77,879	(4/87)
62.	Akron, OH	Warner	76,668	(6/87)
63.	Las Vegas, NV	Prime	75,169	(7/87)
64.	Chicago, Il	Westinghouse Broadcasting	75,000	(4/86)
65.	New Orleans, LA	Cox Cable	74,614	(3/87)
66.	South Bend, IN	Heritage	74,321	(5/87)
67.	Melbourne/Cocoa, FL	ATC	74,200	(6/87)
68.	Santa Monica, CA	Century	74,000	(5/86)
69.	Nashville, TN	Viacom	74,000	(1/87)
70.	Allentown, PA	Service Elec	74,000	(3/87)
71.	Dover, Morristown, NJ	Sammons	73,787	(5/87)
72.	Ocean County, NJ	Adelphia	71,961	(7/87)
73.	Cleveland Heights, OH	Viacom	71,600	(1/87)
74.	Columbus, OH	Warner	70,984	(6/87)
75.	Medford Complex (Boston Suburbs), MA	Warner	70,659	(6/87)
76.	Fayetteville, NC	ATC	70,136	(3/87)
77.	Omaha, NE	Cox Cable	69,846	(3/87)
78.	Contra Costa Co. CA	Televents	69,474	(4/87)
79.	Harrisburg, PA	Sammons Communications	69,172	(5/87)
80.	Little Rock, AR	Storer	68,043	(7/87)
81.	St. Petersburg, FL	Paragon Cable	68,000	(5/87)
82.	Indianapolis,IN	ATC	67,600	(6/87)
83.	Des Moines, IA	Heritage	66,835	(5/87)
84.	Albuquerque, NM	Jones Intercable	66,470	(7/87)
85.	Birmingham, AL	ATC	66,254	(3/87)
86.	New Haven, CT	Storer	65,894	(7/87)
87.	Greater Bridgeport, CT	Cablevision Co.	65,800	(5/87)
88.	Lower Fairfield Co., CT	Cablevision Co.	65,600	(5/87)
89.	El Paso, TX	Group W (ATC)	65,000	(5/87)
90.	Syracuse (suburbs), NY	NewChannels Corp.	64,847	(3/87)
91.	Oklahoma City, OK	Cox Cable	64,444	(3/87)
92.	Winston-Salem, N.C.	Summit	64,072	(4/87)
93.	Monterey, CA	Western Communications	63,815	(4/87)
94.	W. San Fernando Valley, CA	Valley Cable	63,344	(7/87)
95.	Lincoln, RI	Heritage	63,128	(5/87)
96.	Cook County, IL	Continental	63,000	(4/87)
97.	Madison, WI	Tele-Communications Inc.	63,000	(12/86)
98.	Westchester Co., NY	UA Cablesystems	62,804	(5/87)
99.	Santa Barbara, CA	Cox Cable	62,763	(3/87)
100.	Charleston, S.C.	Storer	62,413	(7/87)

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9/14/87

SEPTEMBER 14, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

COURT ACTIONS FUEL OVERBUILD CONCERNS

ATC FLASHING GREEN LIGHT ON FIBER PLAN

POTENTIAL FOR NBC ROLE IN CABLE IMPROVES

GTE SHOWS BIG APPETITE IN CERRITOS PLANNING

WALL ST. REPORT SEES CABLE NETS' PROFITS SOARING

THE CABLE CONSTRUCTION BOOM: '87 PACE LIKELY TO HOLD IN '88

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Spotlight on overbuilds 11
Overflow crowds turned out for two sessions on overbuilds at the Eastern Show in Atlanta, with speakers predicting ever more instances of second franchise applications.

Palo Alto ruling 12
A U.S. district court judge's ruling limiting Palo Alto's franchising authority adds confusion to the issue of cities' powers over CATV.

ATC stepping up fiber agenda 12
The number-two MSO is growing more confident about a plan to replace coaxial trunk lines with fiber in its cable systems, with market testing expected to begin at the start of next year.

NBC overtures applauded 16
Cable interests are reacting favorably to NBC's explorations of opportunities for distribution of programming to cable networks.

New Hollywood giant 18
Coca Cola's deal with Tri-Star spawns major studio along with many new dealmaking opportunities.

PeopleMeter era underway 19
Despite some misgivings, cable networks are relieved that, with the implementation of PeopleMeters, advertisers are likely to be getting a much more realistic picture of viewing in cable households.

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ESPN breaking records with NFL games 24
After three Sunday night exhibition games the results indicate ESPN's run of NFL games will draw more viewers than most people expected. MSOs are beginning to use the games as a marketing hook, but whether penetration lift results remains to be seen.

BET sets first national marketing push 26
Contending its subscriber base should be much larger, BET is preparing a multimedia campaign in major cities across the country.

ON DEMAND PROGRAMMING

PPV impact on home video in dispute 40
Cable and motion picture executives challenge the validity of new research purporting to show pay-per-view is hurting the home video rental business.

MEDIA WATCH

GTE sees vast potential in Cerritos test 52
A multitude of new and old technologies and services will be mixed and matched in GTE's effort to map its future through a $21.5-million testbed in Southern California. But the approach is a controversial one, sparking strong opposition from cable interests at the FCC on grounds that it would set dangerous precedents in violation of barriers against telco entry into cable.

NEW BUSINESS DEVELOPMENT

Shaking things up on 'Main Street' 59
A new service to be tested using technology developed by GTE Service Corp. is causing a stir among operators, who see important implications for home shopping, pay-per-view and a variety of other new services.

LAW & REGULATION

Sacramento rumblings 60
The city's open-ended franchising rules, passed in response to adverse jury findings in the Pacific West case, are causing concern to entrenched cable interests in California and elsewhere.

SYSTEM PROFILE

Smooth sailing so far in D.C. 62
The politically charged complexities of the newbuild in the nation's capital have not stood in the way of early development, with construction on schedule and first-pass marketing producing penetration of 35 percent in what many expected to be a tough sell section of the city.

BUSINESS & FINANCE

Cable networks' profits outstripping Big Three 64
A new study by a leading Wall Street firm predicts the total net income of cable networks will soon match, if not surpass, the aggragate income of the broadcast networks.

COVER STORY

Long-term boom 44
What many saw as a short-term bonanza in cable construction now promises to last well into 1988 and even beyond, thanks to the expanding appetite of MSOs for ever more bandwidth.
—Cover photo by Candace Drake.

Film product comparison-October

Film	Pay Networks					Distributor
...And Justice For All	HBO					Columbia
52 Pick-Up		ST				Cannon
8 Million Ways to Die	HBO				(MAX)	Vestron
After Hours					MAX	Warner Bros.
Airplane!		ST				Paramount
Alchemist, The	HBO					Vestron
All the Way Home					MAX	Paramount
American Anthem	(HBO)				MAX	Columbia
American Justice	HBO					TMS
April Fool's Day		ST	*TMC			Paramount
Avenging Force		ST	TMC			Cannon
Baby Blue Marine	HBO					Columbia
Bandit of Sherwood Sherwood Forest, The				DIS		Columbia
Basic Training					MAX	Movie Store
Beast From 20,000 Fathoms,The		ST	(TMC)			Warner Bros.
Belizaire the Cajun			*TMC			New Century
Beniker Gang,The	HBO					Lorimar
Benny's Place			TMC			Viacom
Best of Times,The			(TMC)		*MAX	Universal
Between Friends	HBO					R.Cooper
Big Trouble	HBO					Columbia
Biggest Bundle of Them All,The		ST			(MAX)	MGM/UA
Bill Cosby 'Himself'	HBO	(ST)	(TMC)			20th Century-Fox
Blake Edwards' A Fine Mess					MAX	Columbia
Bloodline			TMC			Paramount
Blue City		(ST)	*TMC			Paramount
Blue Velvet		ST	TMC			DEG
Bombs Away!	HBO				(MAX)	TMS
Born American			TMC			New Century
Born Yesterday				*DIS		Columbia
Boy Friend, The		ST				MGM/UA
Boy in Blue,The			(TMC)		MAX	20th Century-Fox
Bridge On The River Kwai,The	(HBO)		(TMC)	DIS	(MAX)	Columbia
Broken Promise			TMC			Viacom
Bullies	HBO		TMC			Universal
California Suite	HBO					Columbia
Carey Treatment,The		ST				MGM/UA
Cheyenne Social Club,The			TMC		MAX	Warner Bros.
Child of Glass				DIS		Disney
Chorus Line,A	HBO				(MAX)	Columbia
Citizen Kane					MAX	RKO Pictures
City Limits			TMC			Atlantic
Class			TMC			Albacore
Class of Nuke'em High			*TMC			Troma
Clockwise					MAX	Thorn-Emi
Clockwork Orange,A			(TMC)		MAX	Warner Bros.
Close to My Heart			TMC			Warner Bros.
Clue		(ST)	TMC			Paramount
Cobra	(HBO)				*MAX	Warner Bros.
Cocoon	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox
Code Name: Emerald					MAX	MGM/UA
Commando	HBO	(ST)	*TMC		(MAX)	20th Century-Fox
Company of Wolves			*TMC			Cannon
Competition, The	HBO					Columbia
Concrete Jungle, The		ST				Lorimar
Confessions of a Driving Instructor					MAX	Columbia
Country		ST			MAX	Touchstone
Dancing in the Dark				(DIS)	MAX	New World
Dangerously Close		ST	(TMC)			Cannon
Deadly Friend					MAX	Warner Bros.
Deathtrap	HBO		(TMC)			Warner Bros.
Delta Force,The		ST	(TMC)			Cannon
Destroyers,The	*HBO					Concorde
Dirt Bike Kid,The				DIS		Worldvision Ent.
Dirty Dozen,The			*TMC		(MAX)	MGM/UA
Do You Mean There Are Still Real Cowboys?					MAX	J.Blair
Doctor's Wives					MAX	Columbia
Dog of Flanders, The				DIS		UPA Productions
Don't Go Near the Water			TMC		(MAX)	Warner Bros.
Dragonslayer	*HBO	(ST)	*TMC	(DIS)		Paramount
Dream Chasers, The				*DIS		Pacific Intl.
Dresser, The			TMC			Columbia
Dummy					MAX	Warner Bros.
Echoes in Crimson					MAX	Astral Film
Electric Dreams		(ST)	(TMC)	DIS	(MAX)	MGM/UA
Eliminators			*TMC			DEG
Ellie	(HBO)		(TMC)		MAX	Troma
Emerald Forest,The			*TMC			Embassy
Emmanuelle 4		(ST)	TMC		(MAX)	MGM/UA
Enemy Mine	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox
Every Which Way But Loose	HBO				(MAX)	Warner Bros.
Exorcist, The					*MAX	Warner Bros.
Extremities		*ST	*TMC			Atlantic
Far From the Madding Crowd			TMC			MGM/UA
Fast Times at Ridgemont High		ST	TMC		MAX	Universal
Ferris Bueller's Day Off		ST	TMC			Paramount
Forbidden	HBO					Jozak/Dec
Foxes					MAX	MGM/UA
Foxtrap	HBO					Snizzlefr
Friendships, Secrets and Lies					MAX	Warner Bros.
From Beyond					MAX	Vestron
From Here To Eternity					MAX	Columbia
Funeral in Berlin					MAX	Paramount
Garnet Princess, The					MAX	Astral Film
Godfather Part II, The					MAX	Paramount
Godfather, The					MAX	Paramount
Goldy-The Last of the Golden Bears		ST				Nu-Image
Goodbye Mr. Chips		ST	(TMC)	DIS		MGM/UA
Goodbye, Emmanuelle		ST				Miramax
Grace Quigley	HBO					Cannon
Grand Baby				DIS		Rainbow TV Works
Great Gatsby, The			*TMC			Paramount
Half Moon Street		ST	(TMC)			Presser
Happy Hooker Goes Hollywood, The		(ST)	*TMC			Cannon
Happy Hooker, The		ST	(TMC)			Telepictures
Hard Traveling					MAX	New World
Harum Scarum		ST				MGM/UA
Haunted Honeymoon	(HBO)	(ST)	TMC			Orion
Heaven Help Us	(HBO)				MAX	Silver Screen
Heller In Pink Tights		ST				Paramount
Herbie Rides Again				DIS		Disney
Here Come the Nelsons				DIS		Universal
Hi, Good Lookin'!				DIS		Universal
Hill, The		ST				MGM/UA
Holcroft Covenant, The	HBO					Thorn-Emi
Honeymoon Lodge				DIS		Universal
Hot Times		ST				Film Gallery
House of the Rising Sun	HBO					Fox/Lorber
How the West was Won		ST			(MAX)	MGM/UA
How to be Very, Very Popular				DIS		20th Century-Fox
Howard The Duck	(HBO)	(ST)	(TMC)		MAX	Universal
Howling II					MAX	Hemdale
I Confess		(ST)	*TMC			Warner Bros.
Interrupted Melody					MAX	MGM/UA
It's Not The Size That Counts		*ST				J.Brenner
It's Only Money					MAX	Paramount
Jaws II		ST	TMC		MAX	Universal
Jazz Singer, The			TMC			Warner Bros.
Joy of Sex		*ST				Paramount
Julia		(ST)	(TMC)		MAX	20th Century-Fox
Key Exchange	HBO		TMC			20th Century-Fox
Kid Colter	HBO	(ST)				TMS
Killing Machine, The			TMC			Lorimar
Kim			(TMC)	DIS		MGM/UA
Kiss of the Spider Woman		(ST)	*TMC			Embassy
Knights & Emeralds	HBO					Warner Bros.
Labyrinth	HBO				(MAX)	Tri-Star
Lasta Innocent Man, The	*HBO					M. Singer
Laura		*ST				Group S
Legend	*HBO	(ST)		(MAX)		Universal
Legend of Lobo, The				DIS		Disney
Lies			TMC			New Line
Lightship, The	HBO					Castle Hill
Link	HBO					Thorn-Emi
Long Gone	*HBO					Landsburg
Loose Screws		(ST)	TMC		(MAX)	New Horizons
Lucky 13	HBO				(MAX)	Wescom
Man and a Woman, A					MAX	Warner Bros.
Man and a Woman: 20 Years Later, A					MAX	Warner Bros.
Man For All Seasons,A					MAX	Columbia
Man in the Wilderness			(TMC)		MAX	Warner Bros.
Man Who Broke 1,000 Chains, The	HBO					Journey
Man Who Saw Tomorrow, The					MAX	Warner Bros.
Manhattan Project, The	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox

Film	Pay Networks					Distributor
Mata Hari					MAX	Cannon
Member of the Wedding				DIS	MAX	Columbia
Million Dollar Collar				DIS		Disney
Misunderstood			(TMC)		*MAX	MGM/UA
Mona Lisa			TMC			Island Pictures
Money Pit, The	(HBO)	ST			(MAX)	Universal
Music Man,The	(HBO)				MAX	Warner Bros.
My Beautiful Laundrette			TMC		MAX	Orion
My Geisha					MAX	Paramount
My Little Pony				DIS		Sunbow Productions
My Man Adam	HBO					Tri-Star
Naked Face, The					MAX	Cannon
Name of the Rose, The	HBO	ST	TMC			20th Century-Fox
National Lampoon's European Vacation		ST	TMC		MAX	Warner Bros.
Neon Maniacs	HBO					Castle Hill
Neverending Story, The	HBO					Warner Bros.
Night Shift	HBO		(TMC)		(MAX)	Warner Bros.
Night Fall					MAX	Columbia
Nightmare on Elm Street Part 2	HBO					New Line
Nightwing					*MAX	Columbia
Nine Deaths of the Ninja	HBO	(ST)				Crown
Nomads		*ST	(TMC)			Atlantic
Nothing But The Truth			(TMC)		MAX	Universal
O. Henry's Full House			(TMC)	(DIS)	MAX	20th Century-Fox
Obsession	HBO					Columbia
Off Beat		*ST	(TMC)			Touchstone
On the Double					MAX	Paramount
Once Bitten	HBO		(TMC)		(MAX)	S.Goldwyn
One on One	*HBO					Warner Bros.
One-Eye Jacks			*TMC			Paramount
Our Time					MAX	Warner Bros.
Out of Africa	HBO	(ST)	(TMC)		(MAX)	Universal
Out of Bounds	HBO					Columbia
Outland			TMC		MAX	Warner Bros.
Outlaw Blues					MAX	Warner Bros.
Outlaw Josey Wales, The		ST	TMC		MAX	Warner Bros.
Perfect Timing		*ST	(TMC)		(MAX)	Film Gallery
Piece of the Action, A					MAX	Warner Bros.
Playbirds, The					MAX	Satori
Pleasure of His Company, The			TMC			Paramount
Police Academy 3: Back in Training	HBO				(MAX)	Warner Bros.
Polly of the Circus		(ST)	TMC			MGM/UA
Pope of Greenwich Village, The	HBO	(ST)	(TMC)		(MAX)	MGM/UA
Power					MAX	Lorimar/Telepictures
Pretty in Pink		ST	(TMC)			Paramount
Privates on Parade					MAX	Ganga Dist.
Purple Rain			TMC		MAX	Warner Bros.
Quarterback Princess				DIS	(MAX)	Televentures
Quentin Durward				DIS		MGM/UA
Quick and the Dead, The	HBO					J.Cates
Return of the Jedi	*HBO	(ST)			(MAX)	Lucasfilm
Return of the Living Dead, The	(HBO)				MAX	Hemdale
Return to Oz				DIS		Disney
Rich and Famous			TMC			MGM/UA
Richard Pryor Here and Now		ST			(MAX)	Columbia
Rocky IV					*MAX	MGM/UA
Room With a View		ST	TMC			Cinemcom
Rubber Tarzan				DIS		Janus Films
Runaway Train		(ST)	TMC			Cannon
S.O.B.					MAX	Lorimar
Secret Places	HBO					20th Century-Fox
Secrets of a Mother and Daughter	HBO					Columbia
Sesame Street Presents: Follow That Bird	(HBO)		TMC			Warner Bros.
Shaker Run	HBO				(MAX)	S.Goldwyn
Showboat			(TMC)	DIS	(MAX)	MGM/UA
Silver Chalice			TMC			Warner Bros.
Silver City	HBO					S.Goldwyn
Something Wicked This Way Comes	(HBO)	ST				Touchstone
Soul Man	HBO				MAX	New World
Spacecamp	(HBO)				MAX	ABC Dist.
Spies Like Us					MAX	Warner Bros.
Spirit of St.Louis, The					*MAX	Warner Bros.
Spy Who Came in From the Cold					MAX	Paramount
Stand By Me	HBO				MAX	Columbia
Stephen King's Silver Bullet			TMC			Paramount
Stitches	(HBO)				*MAX	R.P.Marcucci
Strange Invaders			*TMC		(MAX)	Orion
Streetcar Named Desire			TMC			Lorimar
Stripes					*MAX	Columbia
Summer Rental		*ST	TMC			Paramount
Superman	*HBO					Warner Bros.
Swarm, The					MAX	Warner Bros.
Target	(HBO)				MAX	Warner Bros.
Teachers		*ST	(TMC)		(MAX)	MGM/UA
Terminal Man, The			TMC		MAX	Warner Bros.
Tex	HBO	ST		(DIS)	(MAX)	Touchstone
Texas Chainsaw Massacre: Part2		*ST				Cannon
Thank God It's Friday	HBO					Columbia
They All Kissed The Bride					MAX	Columbia
Three Without Fear				DIS		Disney
Tough Guys		*ST	*TMC			Touchstone
Toxic Avenger		ST	TMC			Troma
Transylvania 6-5000					MAX	New World
Trick or Treats		ST	TMC			DEG
Troll	HBO				(MAX)	Vestron
Trouble in Mind			TMC			Columbia
Twentieth Century				DIS		Columbia
Under Fire			TMC		MAX	Orion
Valet Girls					MAX	Vestron
Vamp	(HBO)				MAX	New World
Venus					MAX	Goldfarb Dist.
Violation of Sarah McDavid, The	HBO					Televentures
Virgin and the Gypsy, The			TMC			Viacom
Warning Sign	HBO	(ST)	(TMC)		(MAX)	20th Century-Fox
Warrior and the Sorceress, The	HBO	(ST)			(MAX)	Concorde
Weird Science	(HBO)		*TMC			Universal
When Nature Calls			TMC			Troma
When the Boys Meet the Girls		ST				MGM/UA
Where Do We Go From Here?				DIS		20th Century-Fox
Where the River Runs Black					MAX	MGM/UA
Who's Been Sleeping In My Bed?					MAX	Paramount
Wild Bunch, The			TMC		MAX	Warner Bros.
Windwalker				DIS		Pacific Intl.
Witness		*ST	(TMC)			Paramount
Wolfen					MAX	Warner Bros.
Words By Heart				DIS		Wonderworks
You Light Up My Life					MAX	Columbia
Young Lady Chatterly II		ST			(MAX)	Blum Group
Young Nurses, The					MAX	Viacom
Zeppelin			TMC		MAX	Warner Bros.

Cable Network Legend:
TMC—The Movie Channel
HBO—Home Box Office
DIS—The Disney Channel
ST—Showtime
MAX—Cinemax

- Networks in parentheses indicate carriage in May, June, July August and/or September.
- An asterisk indicates the film is a carry-over from May, June, July August and/or September.
- In total, 274 films appear on the October schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 11 have played on four of the five services, 22 have played on three, and 80 have played on two of the five services. One hundred and sixty titles on the October schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles is Warner Bros. with 43, Columbia with 30, MGM/UA with 25, Paramount with 25, 20th Century-Fox with 14, Universal with 13.

Wall Street report finds cable nets matching b'cast nets in total income

By Virginia Munger Kahn

In a startling report that underscores cable's increasing financial power, Dennis Leibowitz, a long-time industry observer and media analyst at Donaldson, Lufkin & Jenrette, predicts that this coming fiscal year the basic cable networks will earn as much money as the three broadcast networks did last year—$250 million compared to $270 million.

That outstanding performance will translate into higher values for the companies that own the networks—primarily Viacom, Turner and ABC/Capital Cities—as well as the ability to compete on an equal footing with other media for top-quality programming.

While some executives and analysts cautioned that last year was the worst in broadcasting network history and that this coming year will be the beginning of a dynamic new era of growth for the cable programming industry, most agreed that Leibowitz's overall premise—that the basic cable networks are turning into highly profitable businesses—is right on the money.

This turn to profitability comes from both of the revenue streams that support these networks, reflecting increased operator commitments and increased advertising. This year cable operators are projected to contribute approximately $418 million in subscriber revenues to the basic networks, and network advertising has been projected to hit $878 million. Together, the two revenue streams will provide more than $1.3 billion to the cable networks.

That's still small compared to the almost $7 billion in revenues the broadcast networks took in last year, but because of the far better margins the cable networks achieve, the amount of operating income they take in is almost equal to the networks. Leibowitz notes that the broadcast networks operate on a 4 percent margin, while the cable networks often operate at better than 20 percent margins. Those cable margins will probably decline in coming years as the services spend increasing amounts of money on programming and promotion, although cable network executives assert they will never lose touch with their "lean-and-mean" style of operation.

Today, ESPN can produce an hour of college football for half of what it costs a conventional network, Leibowitz notes, and its lead anchor earns $150,000 a year vs. Brent Musberger's $1 million or more. CNN's budget for running a 24-hour-a-day news service is $100 million a year, vs. $300 million a year for each of the broadcast networks, which have a far more limited news programming hole. No one at CNN earns what Dan Rather earns, and CNN is non-union.

Herb Granath

Another significant factor in the lower expense structure for the cable networks is their lack of dependency on Hollywood for most of their programming. "Because the financial interest/broadcast syndication rules create an oligopoly in Hollywood, it has forced the networks into a high-cost operation," says Richard MacDonald, media analyst at First Boston Corp. The rules allow the networks to produce only a limited amount of programming themselves, which results in a dependency on Hollywood for much of the product that appears on the screen.

"A large part of the costs (associated with the creative process) has to do with ownership of product," notes Tom Freston, president of MTV Networks. "In our case, we keep the bulk of the

Network revenues for 1986 and 1987 (Six months ended June 30, 1987)

	Revenues		Operating Income*	
	1986	**1987**	**1986**	**1987**
Viacom (Showtime/TMC, MTV, VH-1, Nickelodeon, Nick at Night, 1/3 of Lifetime)	$255.6m	$250.4m	$31.5m	$33.0m
Turner Broadcasting (CNN, Headline News, WTBS)				
—Cable Productions	$81,575	$97,197	$22,653	$31,592
—Broadcasting	$96,931	$108,841	$12,333	$46,788
Capital Cities/ABC ** (ESPN, 1/3 of A&E, 1/3 of Lifetime)	—	$85m	—	$15 to 20m
Time Inc. (Programming operations)	$483m	$483m	$73m	$71m

* Earnings from operations plus depreciation and amortization

** Estimates from Robert Ladd, Deutsche Bank Capital production in-house." For the conventional networks, virtually the entire creative process is out of their control.

But even more fundamentally, the networks are locked into a game where, in order to achieve the types of mass audiences they need to deliver to advertisers, they must spend substantial amounts of money acquiring programming with high production values and then promoting it. Mark Riely, media analyst with Eberstadt Fleming, notes that the higher the ratings, the more expensive it becomes to move those ratings up incrementally.

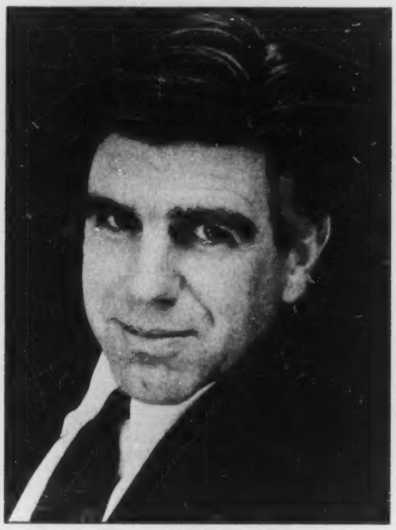
Bottom line

The three networks will spend more than $5 billion on programming this year, according to Paul Kagan Associates, trying to squeeze an extra ratings point here or there that will make the difference between financial success or failure. Last year the difference between the average ratings achieved by NBC, CBS and ABC did not amount to more than four points—17.8 for first place NBC vs. 14.1 for last place ABC. And yet the difference on the bottom line was phenomenal—a $70-million operating loss for ABC vs. $300 million in operating profit for NBC.

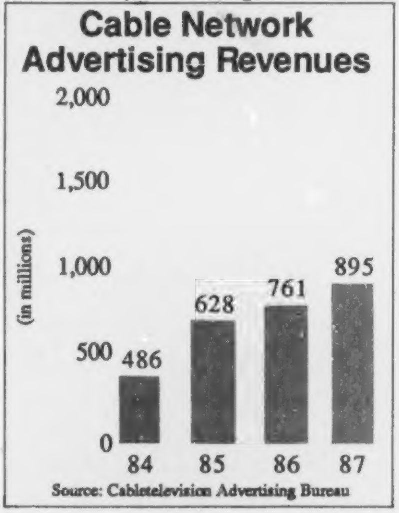
In contrast, the cable networks are projected to spend approximately $1.7 billion this year on programming. The fact that cable networks have historically spent much less on programming is not only a function of a lack of revenues, industry executives note. It also relates to the size of the audience to which the cable services have typically been targeted. "It comes down to the nub—the difference between the commercial networks and the cable networks," says Herb Granath, president of ABC Video Enterprises. "You don't need the same kind of budgets" for car chases and explosions that attract the mass audiences of the broadcast networks, he says.

That, however, will change as cable networks try to attract larger audiences by paying more for programming. A perfect example of that willingness to pay up is ABC's own ESPN, which recently agreed to buy a three-year package of NFL games for $153 million. While ESPN's production costs are projected to be substantially less than the commercial networks, it still has to pay the "going rate" to acquire the rights to televise the games.

What was critical about ESPN's decision to go after the NFL was its confidence in the willingness of cable operators to back the bid. It is here—on the revenue side in the form of operator fees—that the real difference between the commercial networks and the cable services manifests itself. While the networks have suffered through their worst year in history as a result of the vicissitudes of the advertising business, cable services have received increased subscriber fees from operators along with a slowly, but steadily increasing share of the television advertising dollars.


Tom Freston

What the new-found financial strength of the basic cable networks shows, says Turner Broadcasting Executive Vice President Bob Wussler, is that "when properly situated, the dual stream of income is a very formidable combination." As MTV's Freston notes, "the beauty of having two revenue streams is that the cable fees are predictable and stable. Advertising clearly has the upside, but it also has a downside. It is volatile."


Cable Network Advertising Revenues

Source: Cabletelevision Advertising Bureau

At this point, about one-third of the cable networks' revenues come from operator fees with the remaining two-thirds provided by advertising, according to Paul Kagan Associates.

That general structure holds up in ESPN's NFL package. Traditionally, the network has seen 60 percent of its revenues come from advertising and 40 percent from subscriber fees. Cable operators reportedly are paying about $46 million in fees for the first year of the contract and advertising revenues are projected to hit about $66 million. ESPN puts those numbers in perspective by saying that the operators will cover the costs of the licensing rights for the games this year, while advertisers are covering the costs of the promotion and production of the shows.

The fees cable operators are paying cable networks have not always been so significant. Just three years ago, Kagan estimated operators paid the networks just 36 cents per subscriber. Today, cable operators pay about 83.1 cents per subscriber per month to the cable networks out of an average $12-per-month basic rate.

Sub fees up 36 percent

By the end of this year revenues to the networks from subscriber fees will have risen 36 percent over the three-year period from 1985 through the end of 1987. The increases in subscriber fees include new services that have been introduced that carry fees, as well as fee increases for existing services, note industry analysts. Network advertising revenues will have risen an average 22 percent during this period.

The importance of those subscriber fees to the networks is clear. "If you take away the (subscriber fees), the profits are gone," notes analyst Riely. At the same time, Leibowitz writes, almost all the increases in fees have gone straight to the networks' bottom line.

Considering all the talk less than two years ago about how the cable networks would eventually *pay* the operators to be carried on their systems, today's situation is extraordinary. Not only are cable operators quiescent about the subscriber fees they pay to the networks, they've even anteed up an additional 9.25 cents to ESPN for the NFL.

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Wall Street,

from page 65

Granath and Wussler cite the 1986 NCTA Convention in Dallas, where TCI President John Malone offered Ted Turner additional financial support, and a high-level NCTA meeting in Palm Springs last November as the key turning points in their estimations of what the cable operators would be willing to do for the networks. "It was a dawning on industry leaders of the importance of cable programming," says Wussler. Granath notes that "cable operators *finally* recognize that what they are selling is programming. No one buys wires."

Rich MacDonald puts the transformation in more concrete terms. "Cable operators realized their margins were unbelievable. Every time they added a new subscriber, they kept 70 percent of the increase. The rational thing to do was increase payment to the networks" so they can spend more on programming. Operators will still get a "high return on the backend," MacDonald notes.

Leibowitz writes that with the NFL contract one additional customer paying $22 per month with a 45 percent profit margin represents an "enormous return' for operators who are only paying an additional 9 or 10 cents per subscriber for those games. Those new subscribers would be worth $9.90 per month each in operating profit to the cable operator.

All the network executives point to the newfound financial commitment by cable operators to programming as key to their ability to bid for high-profile, high-priced programming. Granath says Lifetime would never have bid for and won *Falcon Crest* nor would ESPN have gone after the NFL without that commitment.

Neither programmers or operators soon see the day when subscriber fees are eliminated. While many of the basic cable networks started their lives promising operators that Madison Ave. would one day carry the costs of running their services, none of them believe this now. In fact, most see the percentage of their revenues from subscriber fees getting closer to 50 percent over the next two to three years from their current 33 percent to 40 percent levels.

They stress that those revenue increases will be as much a function of increased penetration and numbers of subscribers as increased rates. While Kagan's numbers indicate an average 32 percent increase in per subscriber fees in the last three years, most operators indicate that the increase in fees on a per-network, per-unit basis have been far lower—closer to 10 percent to 15 percent. Those rates of increase are expected to continue into the future.

Average fee per subscriber per month

1984	36.2¢
1985	50.9¢
1986	66.7¢
1987(E)	83.1¢

Estimates of Paul Kagan Associates, Carmel, Calif.

Meanwhile, advertising revenues are projected to increase about 18 percent per year on average over the next three years. During this period they will have doubled from $738 million in 1986 to more than $1.4 billion by 1990.

Despite this rise in advertising revenues well above the inflation or GNP rate, cable network executives said they do not believe advertising can carry their whole financial load. "Cable networks will never reach the mass audience (of the broadcast networks)," says ABC's Herb Granath. "We don't think advertising will ever reach a point (that it can) support the kind of original programming we want to do."

While cable operators say that ideally they would love to see subscriber fees reduced if not eliminated, they admit that day is far in the future. Charles Dolan, chairman and chief executive officer of Cablevision Systems, which owns and operates both systems and programming networks, says the "established" networks have a right to expect some sort of fee from the operators. Dale Parker, vice president for programming at Heritage Communications, sees added leverage in that operator commitment. "Frankly, I would like to see some sort of presence there," he says. "It gives operators continued importance in the eyes of the programmers who will develop programming more customized to cable."

Although Parker notes subscriber fees have increased more than most operators would like in the last couple years, he says operators are resigned to the fact that the networks are not going to give up those fees. The same does not hold true for "someone starting a service," Dolan says. "They should not expect cable operators to help them finance an unproven idea."

In fact, the established services have been successful in continuing to hike their rates, while new services, such as the home shopping channels, have had to give up equity interests or pay operators to carry their services. In general, says Robert Ladd, media analyst at Deutsche Bank Capital, the prospects for subscriber fee increases for the more dominant services is "pretty good."

In the future, notes Riely, the economic relationship between the networks and operators will depend on the extent to which the networks are not easily duplicated, the extent to which operators continue to consolidate, and the degree to which competitive delivery mechanisms for the programmers' services are available. "Those services that have the most differentiated, most difficult-to-start services will be in a stronger position," says Riely.

Right now, most analysts say, the negotiating leverage between established networks and the operators is fairly divided. However, the vulnerability of the programming services to new competitors was amply demonstrated less than a year ago when programming powerhouse Turner Broadcasting and CNN were made to bend on rate increases under the threat of a new news service from NBC.

Bob Wussler

New services on the horizon

At the same time, NBC's inability to launch the new channel points to the difficulties potential new entrants into the programming field face when trying to launch new services or buy into the business. But this must be weighed against the fact that the financial success of the networks is sure to lure new players into the programming game and provide impetus for those companies already in the field to launch new services. The financial rewards for doing so are potentially great.

Leibowitz notes in his report that the price NBC and others were willing to consider paying Turner for an equity interest in CNN almost two years ago put a value of approximately $800 million on the network. That would have been 16 times CNN's 1986 cash flow of $49 million, a "generous multiple," Leibowitz writes.

Rich MacDonald, using a more conservative multiple for ESPN of 13 times next year's projected cash flow of $100 million, still comes up with an implied value for that network of more than $1.3 billion, more than what most analysts feel the ABC network itself would fetch. "Those are staggering values," says MacDonald. As far as CNN is concerned, he says, "it hasn't found its top yet."

That rise in value and strong financial performance has led each of the three major cable programming companies to seriously consider starting up new services. Herb Granath, Bob Wussler and Tom Freston all say their companies will look to start new services in the future. TBS is probably the farthest along in those plans, having already started work on its so-called "fourth network."

Chuck Dolan

The programming service executives contend that with their costs fairly well fixed for the future and their knowledge of the business, they are in the best position to start new networks. "We have tremendous economies of scale," notes MTV's President Freston. "With four networks already, there is no need to increase head counts, real estate, the phones," in the future, he says.

ABC's Granath says he does not believe industry wisdom that it is almost impossible to start new cable programming networks now. "You have to start with a workable premise, and you have to recognize that it will take five to seven years to make it successful," he notes.

The difficulty for potential new entrants in the field is that there are few opportunities for buying into the business. "It's one thing to be interested; it's another thing to do it," says Freston.

Only a few programming services are not already owned by companies like Viacom, Turner or ABC/Capital Cities. The exceptions include Financial News Network and The Discovery Channel, which is owned in part by a consortium of MSOs. It is here that companies such as NBC that want to move into cable programming may find their best opportunities.

Chuck Dolan is one of several cable industry executives who say they welcome the move by the networks to increase their role in cable programming. "They are the most successful programmers in the business. Why should they limit themselves to broadcasting?" asks Dolan. Says another executive, "It's good to hear them say (they're interested in the cable business). That means we're meeting with success."

Still another natural player in the cable programming arena is Hollywood. Right now, MCA and Paramount, through their investment in USA Network, are the only major participants in cable programming. However, less than two years ago, Warner Communications played a major role in the business, and today, there are serious negotiations underway between Viacom and Coca-Cola about the latter company's potential investment in one or more of Viacom's services.

Tom Wertheimer, executive vice president at MCA and a member of the board of directors of the USA Network, says MCA is very pleased with its investment in cable programming, and the company plans to be in the business for a long time to come. "The basic cable networks have for too long been a well-kept secret. There's a lot of hidden gold," he says. "The potential is extraordinary." ■

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March 1987

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NOTES

Financial/Stocks

Viacom reports first quarter earnings

NEW YORK—Viacom Inc. reported increased second quarter and first-half revenues for 1987, as a result in gains in the cable and broadcasting areas.

Revenues for the cable division for the three month period rose 27 percent, from $55.8 million in 1986 to $70.7 million in 1987. Operating income for the same period rose 39 percent, from $19.7 million to $27.3 million. For the six month period, cable revenues rose

CABLE STATS

Subscriber Count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	319	5,805,477
Alternate View Network	238	2,770,000
Arts & Entertainment (A&E)	2,400	24,000,000
Black Entertainment Television (BET)	912	14,900,000
CBN Cable Network	7,710	36,708,000
C-SPAN	2,600	31,000,000
C-SPAN II	420	11,600,000
Cable News Network (CNN)	10,944	41,078,000
Cable Value Network	125	17,733,011
Consumer Discount Network	40	750,000
Consumer Discount Network 2	60	2,000,000
Country Music Television	470	6,700,000
The Discovery Channel	1,909	20,400,000
ESPN	17,000	43,700,000
Eternal Word Television Network (EWTN)	373	6,800,000
Financial News Network (FNN)	1,650	26,100,000
FNN/Score	1,080	19,800,000
FNN/TelShop	700	11,000,000
GalaVision	288	900,000
Gospel Music Network	31	744,447
Headline News	3,265	26,220,000
Hit Video USA	41	1,700,000
Home Shopping Network	1,036	14,182,185
Home Shopping Network 2	229	5,524,000
International Television Network	55	7,000,000
The Inspirational Network	1,300	13,300,000
The Learning Channel	900	9,024,000
Liberty Broadcasting Network	90	1,300,000
Lifetime	3,400	33,000,000
The Motivation Network	7	242,900
Music Television (MTV)	4,709	33,400,000
The Nashville Network	4,800	33,500,000
National Jewish Television (NJTV)	295	6,800,000
National Shopping Club	65	1,500,000
Nickelodeon	5,005	31,700,000
The Nostalgia Channel	215	1,200,000
Ozark Mountain Network	N/A	N/A
QVC Network	531	8,853,000
Silent Network	300	9,134,016
Sky Merchant	12	600,000
Tempo Television	665	12,500,000
The Travel Channel	120	6,000,000
Trinity Broadcasting Network	523	7,073,000
USA Network	9,200	39,000,000
Video Hits One (VH-1)	1,588	17,300,000
Video Shopping Mall	60	23,000,000
The Weather Channel	2,750	28,151,540
WGN-TV	10,061	22,481,000
WOR-TV	2,162	9,258,590
WPIX-TV	347	2,471,000
WTBS-TV	11,991	41,952,000

Pay services

Pay services	Affiliates	Subscribers
American Movie Classics	1,000	6,000,000
Bravo	300	450,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Festival	N/A	N/A
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	600	550,000
Showtime	3,200	5,400,000

Audio services

Audio services	Affiliates	Subscribers
Cable Radio Network	34	1,630,000
JazzAmerica	N/A	N/A
KKGO Super Jazz	15	123,560
Moody Bible Institute	59	868,516
National Black Network	N/A	N/A
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,273
Seeburg Lifestyle Adult Contemporary	25	536,227
Tempo Sound	300	1,000,000
WFMT Chicago	168	1,343,000

Text services

Text services	Affiliates	Subscribers
AP News Cable	[illegible]	2,500,000
AP Business Plus	54	1,400,000
AP Business Watch	20	500,000
AP News Plus	75	2,100,000
Cable SportsTracker	34	2,332,000
DBC/MarketWatch	240	5,000,000

Basic services	Affiliates	Subscribers
Electronic Program Guide (EPG)	407	7,042,000
EPG Jr.	114	124,786
Genesis Cable Storytime	35	1,350,000
Reuters News View	127	2,437,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000
X*Press Exchange	200	1,000,006

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	170	6,500,000
Fuji Network	3	12,000
Nippon Golden Network	3	12,000
Telaction	N/A	N/A
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	156,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	36	1,275,174
The Ecumenical Channel	12	170,000
KTVT	209	1,891,000
Life Newsvision	35	50,000
Madison Square Garden	90	2,015,000
Meadows Racing Network	14	446,000
News 12 Long Island	7	500,000
Prime Cable	8	325,865
Prime Ticket	30	1,600,000
SportsVision (Chicago)	45	939,400

Pay services

Pay services	Affiliates	Subscribers
Dodgervision	44	935,000
Giantsvision	38	1,000,000
Home Sports Entertainment—Houston/Dallas	119	216,000
Home Team Sports	100	600,000
New England Sports Network	159	181,482
PRISM-Philadelphia	86	379,004
Pro-Am Sports	120	115,000
SportsChannel (New England)	140	710,000
SportsChannel (New York)	77	842,000
Z Channel	21	84,000

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

N/A denotes information not available.

TBA denotes to be announced.

Announced services

Satellite-fed services	Expected launch
Americana Network	2nd Quarter 1988
American Catalog Network	3rd Quarter 1987
Apollo Entertainment Television	TBA
Comedy Television	2nd Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
The Fashion Channel	8/87
International Cablecasting's Cable Radio Network	9/87
Movietime	7/87
Pay Per View Partners	4th Quarter 1987
The Preview Network	4th Quarter 1987
Television Catalog	1st Quarter 1988
Tunnelvision	10/87
United Shoppers of America	9/87
Vacation Travel Network	4th Quarter 1987
World Travel Network	4th Quarter 1987
You TV	1/88

C4722-2
9/28/87

SEPTEMBER 28,

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

STORER CABLE GOES ON THE MARKET

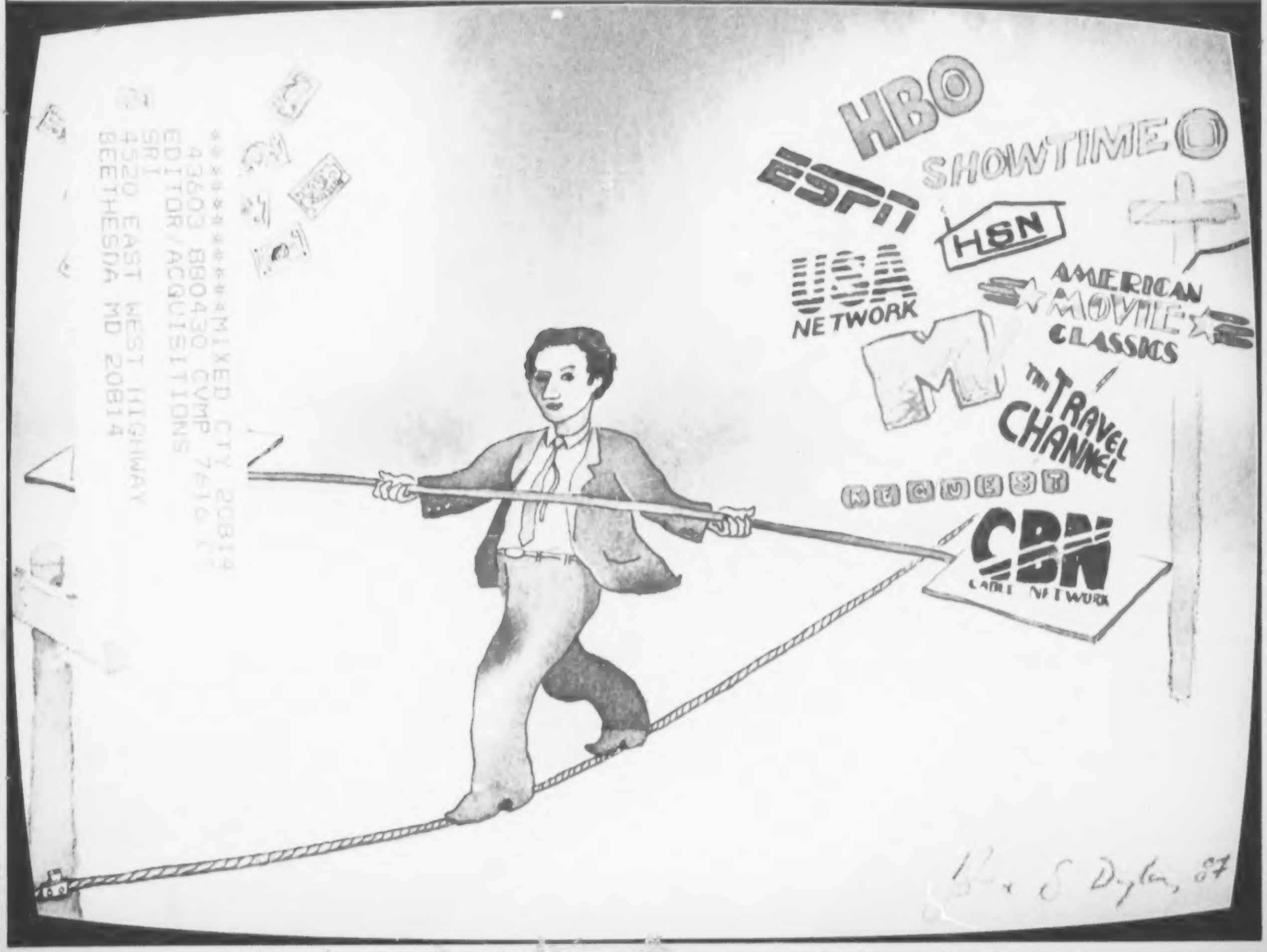
FREE SPEECH CASES HEADED TO SUPREME COURT

HOW GOOD ARE CABLE JUNK BONDS?

ISDN PROJECT CATCHES CABLERS, TELCO BY SURPRISE

PPV HEAD OFFERS HOME VIDEO ON OLIVE BRANCH

WALKING A TIGHTROPE: BALANCING PRICING AND PACKAGING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ESPN
HSN
USA NETWORK
AMERICAN MOVIE CLASSICS
MTV
THE TRAVEL CHANNEL
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CBN CABLE NETWORK
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CableVision

FRONT LINE

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A few deregulated cable systems may lose that freedom as a result of a new FCC rulemaking on effective competition.

Making fiber pay 16
Southern Bell believes it has found a way to cost-justify fiber optics solely on revenue from plain old telephone service.

NCTA board expands 18
The growing influence of programmers is being felt at the National Cable Television Association, with six programming executives joining the association board.

Judge Greene hangs up 19
The Bell companies get a busy signal from Judge Harold Greene, who rules that telcos can offer the information service pipeline, but not the service itself.

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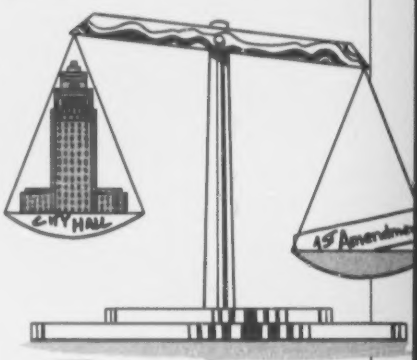
Exclusive franchising is frowned on in California; in Florida the law prevents cherry-picking by overbuilders. And in between the two coasts different federal courts have come to differing conclusions as to what cable's First Amendment rights really are. A U.S. Supreme Court test case is seen soon.



NEW BUSINESS DEVELOPMENT

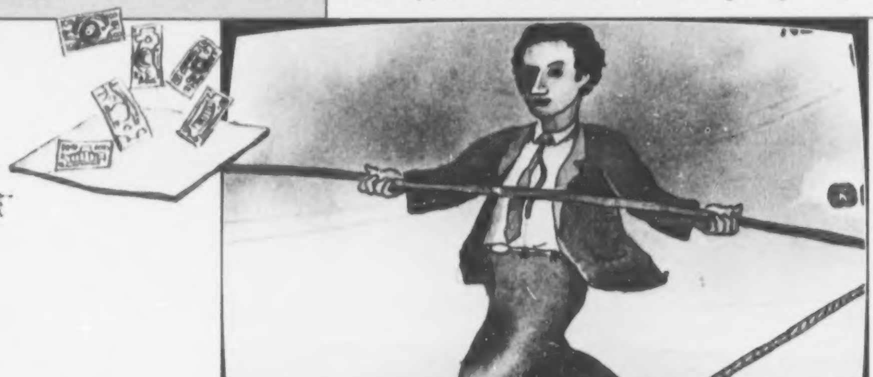
Hello, operator; get me HBO 36
Blue sky has come down to earth in Arizona, where homebuyers soon will be offered a single communications facility capable of dialtone service, long-distance service, basic cable, home security, energy maintenance, home banking and shopping, pay cable and videotex.

FORUM

A PPV olive branch 45
There's room enough in the marketplace for both pay-per-view and home video because each has distinct strengths and varying customer appeal, says Viewer's Choice President Scott Kurnit.

BUSINESS

How good is cable's junk? 48
Wall Street still is jittery over the insider trading scandals, but many investment bankers say cable junk bonds are riding high above the fray. "Of all the junk bond issuers, (cable) trades with the better quality stuff," one says.



COVER STORY

Balancing act 38
Achieving equilibrium between the price of basic service and the number and type of channels offered is the challenge for operators planning rate hikes. Meanwhile, many fear that the high prices being paid for systems will translate into unacceptable subscriber rates.

Pay-Per-View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

October — Source

The Allnighter (10/1) **Universal**
MPAA Rating: PG-13 Running Time: 95 mins
Cast: Susanna Hoffs, Dedee Pfeiffer, John Terlesky

Blind Date (10/1) **Tri-Star**
MPAA Rating: PG-13 Running Time: 95.06 mins
Cast: Bruce Willis, Kim Basinger, John Larroquette

Burglar (10/29) **Warner Bros.**
MPAA Rating: R Running Time: 103 mins
Cast: Whoopie Goldberg, Bobcat Goldthwait, Leslie Ann Warren

Crocodile Dundee (10/1) **Paramount**
MPAA Rating: PG-13 Running Time: 97 1/2 mins
Cast: Paul Hogan, Linda Kozlowski, Mark Blum

Death Before Dishonor (10/15) **HBO Enterprises.**
MPAA Rating: R Running Time: 95 mins
Cast: Fred Dryer, Brian Keith, Joanna Pacula

84 Charing Cross Road (10/1) **Columbia.**
MPAA Rating: PG Running Time: 99 mins
Cast: Ann Bancroft, Anthony Hopkins

Ernest Goes To Camp (10/29) **Touchstone Pictures.**
MPAA Rating: PG Running Time: 93 mins
Cast: Jim Varney

Heat (10/15) **New Century/Vista.**
MPAA Rating: R Running Time: 102 mins 23 secs
Cast: Burt Reynolds, Karen Young, Peter MacNicol, Howard Hesseman

Hoosiers (10/14) **HBO Productions**
MPAA Rating: PG Running Time: 114 mins
Cast: Gene Hackman, Dennis Hopper, Barbara Hershey

Nice Girls Don't Explode (10/29) **HBO Productions**
MPAA Rating: PG Running Time: 92 mins
Cast: Barbara Harris, Wallace Shawn, Michelle Meyrink

Raising Arizona (10/1) **20th Century-Fox.**
MPAA Rating: PG-13 Running Time: 94 mins
Cast: Nicholas Cage, Holly Hunter

The Stepfather (10/1) **New Century/Vista**
MPAA Rating: R Running Time: 88 mins 42 secs
Cast: Terry O'Quinn, Jill Schoelen, Shelly Hack

Trick Or Treat (10/22) **Lorimar**
MPAA Rating: R Running Time: 97 mins
Cast: Mark Price, Tony Fields, Lisa Orgolini

November — Source

Creepshow II (11/19) **HBO Productions**
MPAA Rating: R Running Time: 92 mins
Cast: Lois Chiles, Dorothy Lamour, George Kennedy

Gardens of Stone (11/7) **Tri-Star**
MPAA Rating: R Running Time: 114.42 mins
Cast: Angelica Huston, James Caan, James Earl Jones

Ishtar (11/19) **Columbia**
MPAA Rating: PG-13 Running Time: 107 mins
Cast: Warren Beatty, Dustin Hoffman

Lethal Weapon (11/25) **Warner Bros.**
MPAA Rating: R Running Time: 110 mins
Cast: Mel Gibson, Danny Glover, Gary Busey

Making Mr.Right (11/1) **Orion**
MPAA Rating: PG Running Time: 101 mins
Cast: John Malkovich, Ann Magnuson, Ben Masters

My Demon Lover (11/19) **Universal**
MPAA Rating: PG-13 Running Time: 86 mins
Cast: Scott Valentine, Michelle Little, Arnold Johnson

Police Academy 4: Citizens on Patrol (11/5) **Warner Bros.**
MPAA Rating: PG Running Time: 88 mins
Cast: Steve Guttenberg, Bobcat Goldthwait, Bubba Smith

Project X (11/5) **20th Century-Fox**
MPAA Rating: PG Running Time: 108 mins
Cast: Mathew Broderick, Helen Hunt

Star Trek IV (11/11) **Paramount**
MPAA Rating: PG Running Time: 119 mins
Cast: William Shatner, Leonard Nemoy

Three For The Road (11/8) **New Century/Vista**
MPAA Rating: PG Running Time: 91 mins
Cast: Charlie Sheen, Kerri Green, Allan Ruck

Tin Men (11/12) **Touchstone Pictures**
MPAA Rating: R Running Time: 112 mins
Cast: Danny DeVito, Richard Dreyfuss, Barbara Hershey

Note: Running times are approximate.
NR indicates film not rated by MPAA.
* Unavailable at presstime.

Film information provided to International Thomson Communications Inc. by distributors.

Pay-Per-View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	All movies, 24 hours per day 50-60 titles per month	Field trial basis; currently serving 10 MSOs nationwide. (2,500 Impulse addressable subscribers).
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title, plus up to two licensed films edited for Playboy.	Available in systems serving 185,000 subs (139,000 addressable).
Request Television	November 27, 1985	Galaxy 1, tr. 12	VideoCipher II	Min. of four major motion pictures per week over 14 day cycle, special events	Available in systems serving 3.6 million subs. (2.5 million addressable).
Telstar Channels	June 5, 1986	Interrum Standalone, testing on Telstar 303	Testing G.I. Starloc IV	Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events.	Available in systems serving 74,000 subs (11,500 addressable).
Viewer's Choice	November 26, 1985	VC-1 Satcom 3R, tr. 5, VC-2 Galaxy 1, tr. 16	VideoCipher II	One major motion picture per week, special events	Available in systems serving 2.6 million subs. (1.6 million addressable).

BUSINESS & FINANCE

Cable junk bond market unscathed by Drexel woes and trading scandals

Operators still bullish because 'the market is much, much bigger' than in past

By Virginia Munger Kahn

Despite renewed speculation that the creator of the junk bond market, Michael Milken, and his firm, Drexel Burnham Lambert, may be indicted in the insider trading scandal sometime in the next few months, investment bankers and cable operators are expressing little concern about the effects such a development could have on the market for high-yield cable securities. While they admit the market could be rocked, they contend there are plenty of other players in the junk bond underwriting business who would be more than happy to step in and take over Drexel's business and that the market has outgrown its dependency on the originator of the junk bond phenomenon.

Leading Underwriters of Cable Junk Bonds

1980 - Present

	Amount Outstanding (in millions)	No. of Issues
Drexel Burnham Lambert	$4,753	27
Morgan Stanley	962	9
Goldman Sachs	400	5
Prudential-Bache	345	4
Shearson Lehman Bros.	228	3
Paine Webber	100	1
Kidder Peabody	100	1
Lazard Freres	50	1
Merrill Lynch	25	1
Total	$6,963*	52

*N.B.—Includes face value of zero coupon bonds which are actually sold at a discount. Also includes convertible subordinated debentures.

Source: Morgan Stanley & Co.

Leading Managers of Underwritten Offerings

Jan. 1, 1987 through Sept. 11, 1987

Full Credit to Book Manager

Manager	Amount	Rank	Percent	Issues Managed
Drexel Burnham Lambert	9,304.3	(1)	44.8	64
First Boston	2,931.1	(2)	14.0	14
Morgan Stanley	2,583.8	(3)	12.3	15
Merrill Lynch Capital Markets	2,427.6	(4)	11.6	17
Salomon Brothers	1,153.1	(5)	5.5	10
Industry Totals	20,934.3			151

Source: IDD Information Services

"It would certainly be a shock to the market, but it wouldn't bring the whole thing crashing down like it would have five years ago," says Steven Rattner, managing director at Morgan Stanley & Co. "The market would recover."

Investment bankers and industry executives note that Drexel's share of the market has fallen substantially in the last three years from a peak of 67.7 percent in 1984 to today's 45 percent share. While Milken and Drexel are said to have direct control over $7 billion in bond funds, the total market is now at $150 billion outstanding. As David Lundquist, chief financial officer at Heritage Communications, notes, "the market is much, much bigger than Drexel or Milken."

That assessment is crucial considering the significant role junk bonds have taken in the financing of the cable industry over the past few years. According to figures compiled by Morgan Stanley, since 1980 Wall Street firms have underwritten almost $7 billion worth of cable securities rated below investment grade. Drexel continues to dominate the field with financings worth more than $4.7 billion, 68 percent of the market. However, a number of firms, including Morgan Stanley, Goldman Sachs and Prudential Bache, are running to catch up with the market leader, particularly in cable.

Drexel's dominant position has much to do with Milken's inception of the idea for junk bonds, but also it has to do with Drexel's ability to insure a liquid market for the issues. Perhaps Milken's greatest achievement has been developing a network of institutions and individuals that are willing and eager to buy junk bonds. The advantages of that achievement has translated into a pre-eminent position in financings for hostile takeovers, leveraged buyouts, and other large acquisitions.

By far the most controversial area of junk bond financing, LBOs and major takeovers, account for the bulk of the value of the market. Within the cable industry, two such deals—the leveraged buyout of Storer Communications by Kohlberg, Kravis, Roberts & Co. and Turner Broadcasting's acquisition of MGM—account for 43.5 percent, or $3.034 billion, of the total funds raised through junk bonds. Both deals were financed by Drexel Burnham Lambert.

Ken Mosher, chief financial officer at SCI Holdings, Storer's successor, notes that the beauty in these large, highly leveraged transactions lies in the ability of companies to put off paying interest on the debt by issuing zero coupon bonds. SCI Holdings has more than $1.6 billion face value of zeroes outstanding. "It doesn't do you any good to take on a lot of debt (if you have to pay cash on that interest immediately). What makes the whole thing do-able is that deferring of interest payments, which gives you a chance to build up cash flows," he says. That is exactly what Storer has been doing since the LBO was consummated in late 1985. Once the zeroes start paying interest in a few years, the plan is for the company to have paid down a substantial portion of its bank debt so that the junk bonds can be refinanced.

A junk bond analyst at Prudential Bache Securities notes that at this point the securities issued by both Storer and Turner are viewed fairly favorably. The refinancing and restructuring of both companies have resulted in improved balance sheets and reduced risk, with the prospects for the redemption of at least a few of the issues at a premium adding further attractiveness to investors.

Tapping the market

While deals like Storer and Turner have gained the lion's share of attention, a far broader level of activity has been occurring among medium and large-size MSOs who have accessed the junk bond market over the last few years for acquisitions and for more general corporate purposes. Today, many MSOs have issued debt in the public markets, and the trend is to make the market increasingly accessible to even smaller companies. Just last month, Morgan Stanley did a $50 million offering for Star Cablevision, an 83,000-subscriber MSO headquartered in Wisconsin. Within the past two years, many companies outside the top 10 have tapped the market, including Adelphia Communications, First Carolina Communications, TCA Cable, Scott Cable, American Cablesystems, and Cablevision Industries.

For the larger MSOs, the market also has proved to be a fertile field for raising capital. Over the last two years Heritage Communications has raised $400 million in that market. Tele-Communications Inc. has issued $475 million in junk bonds or convertible securities (which are assumed to be priced as high-yield debt) since it first tapped the market in 1982, while Wometco Cable, a relative newcomer to the market, has raised $312 million since 1986.

David Lundquist notes that without junk bonds Heritage never would have been able to engage in the level of acquisition activity it did in recent years with the same amount of flexibility. "With the private placement market, we would have been dealing with covenants, pre-payment penalties... lots of difficulties," he says.

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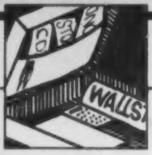

Junkbonds, *from page 49*

"(Junk bonds) have been very important from a flexibility standpoint and we're willing to pay a little higher price for that flexiblity." While the company several times raised financing in the junk bond market without specific acquisitions in mind, in 1986 the company raised $200 million for its acquisition of Rollins Communications through an offering managed by Goldman Sachs.

That issue pays interest of between 11.5 percent and 11.7 percent, substantially above prime. However, cable operators in general have been willing to pay a premium in order to gain the flexibility of public debt. "One of the main reasons cable companies like the junk bond market is there are very, very few covenants," notes Kidder Peabody Managing Director Gary Blemaster. "Basically, it's just an IOU. It's subordinated, and you can leverge it even more."

In recent years junk bonds increasingly have replaced insurance companies as primary providers of subordinated debt. Where banks traditionally have been willing to lend up to six times cash flow on a proposed acquisition, subordinated debt, in the form of private placements with insurance companies, have been relied upon to cover another two times cash flow. That layer of financing increasingly has been filled by junk bonds in the last two years.

> 'Of all the junk bond issuers, (Cable) trades with the better quality stuff.'
>
> —Mike Morocco, Morgan Stanley

Now, however, junk bonds themselves are under pressure from the banks. During 1987 the number of new issues of high-yield securities has dropped off dramatically, and according to several analysts, the reason is the aggressiveness of commercial bankers. "The banks are believers in the industry," notes one analyst, and bank debt is cheaper and faster to get hold of. These days banks often are willing to lend at seven or eight times cash flow. The result has been that only a few issues have been done this year, including Star Cablevision, Cablevision Industries, and National Amusements' $400 million offering to help finance the Viacom acquisition.

Mike Marocco, an associate at Morgan Stanley, sees still another reason for this drop-off in activity. With many MSOs raising substantial amounts of money in subordinated debt last year, they now are going back and filling in their capital structures with bank debt. For example, Star Cablevision now has $50 million of its $80 million in debt in subordinated debentures, or five times its cash flow represented by junk bonds. When future acquisitions are made, they likely will be financed with lower cost bank debt, which will bring the subordinated debt multiple back down to a more normal cash flow.

Year of the junk bonds

Last year was the year that the flood gates opened on the junk bond market for cable companies. As was the case with cable stocks, many analysts see that development as the result of the realization within the investment community of cable's cash generating ability and the stability of that cash flow. The result has been that "almost any cable company could access the market, big or small."

But there are limitations to that access. Rattner notes that $50 million is about the minimum deal the company will do because of considerations regarding the liquidity of the issue. Most institutions will not buy more than 10 percent of an issue—in an effort to foster active trading—and issues of less than $50 million do not provide enough trading activity.

In general, the institutions that buy cable junk bonds are the same types of players as other junk bond buyers—insurance companies, traditional money managers, mutual funds, and to a lesser extent, savings and loan associations.

One money manager notes that his firm, which has $4 billion in assets and a junk bond portfolio worth between $100 million and $200 million, has taken an attitude of investing in junk bonds like it would invest in stocks. "As a purchaser you need to do more research. (You have to ask yourself) what is the real risk and how much do I get for taking that risk," he says. Unlike some funds that go in a "buy

August, 1987
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John Poole represented the seller.

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the whole market" attitude, he says, his company has picked and chosen among a variety of cable issues.

The real nub of the issue, says this investor, is figuring which companies can survive a market in which system values stay flat or actually decline. "We think the bondholder has to think about that," he says. Behind many cable bond issues is the knowledge that if the company really gets into a bind, it can always sell systems. Picking those companies that could survive having to sell systems at a lower value is critical to assessing the risk/value of the bond. "The assets have to be able to protect the debt," he says. As such, this institution has bought junk bonds issued by Continental Cablevision, Harte-Hanks, Heritage and Multimedia.

Even more fundamental to whatever jitters there might be in the market related to escalating system prices and leverage levels are concerns over the interest rate environment in general. Not surprisingly, junk bond prices softened two weeks ago when the stock and bond markets fell overall, before firming up late last week. Such concerns are even more important than any worries about what may happen to Drexel and Milken. "That's already been digested by the market," says one analyst.

Despite such concerns, analysts and investment bankers that help underwrite cable junk issues contend that the high-yield securities issued by cable companies are viewed very favorably by the investment community. One key indicator of that assessment is the price at which cable issues are offered and then traded. According to an Aug. 14 index compiled by Morgan Stanley, media companies generally were priced 420 basis points (4.2 percent) off 20-year Treasury securities, which were traded at 890 basis points (8.9 percent). That means the bonds issued by media companies were priced about 13.1 percent. In comparison, airline companies traded 614 points off Treasuries, energy companies were priced 309 basis points off, utilities 480 and consumer goods companies at 320. Marocco estimated cable companies in specific trade 335 points off Treasuries. "Of all those junk bond issuers, (cable) trades with the better quality stuff," he says.

Within the cable sector itself there are further gradients. 'Quality' credit for companies such as TCI, Comcast, and United generally will carry interest rates in the high 11 percent range for 15-year junk bonds. Moderate credits such as Cablevision Systems and Cablevision Industries carry coupons of between 12.25 and 12.75, while the weaker credits—those companies that are the most highly leveraged—such as Storer and Wometco, carry interest rates of 13 percent to 13.5 percent.

While liquidity and trading activity are considered healthy, market analysts also note that a lack of trading activity in many cable issues, such as TCI, Comcast and United, indicates the attractiveness of the bonds to their holders and their unwillingness to give them up. Thus, when they note that there has been little fallout in the junk bond market from the recent spate of stories about Milken and Drexel in the business press, they point to the lack of activity in the market. "Basically cable TV is viewed very positively. (Those bonds) are not really trading. People are not shedding them," notes Owen Cheevers, head of high yield securities research for Merrill Lynch.

As far as the future prospects for the industry's continued ability to tap the junk bond market, the analysts were fairly bullish. "People may be a little leery now," says one, "but these companies are well known now and their management's are fairly strong." ■

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Industry Growth

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs.	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs.	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite Lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	12
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
rytime	3
HBO (West)	13
Home Shopping Network	22
The Inspirational Network	2
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
The Travel Channel	16
Trinity Broadcasting Network	3
TV Decisions	24
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
America's Value Network	5
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
C-Span II	8
Gospel Music Network	3
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden Network	6
The Motivation Network	3
Movietime	17
National Black Network	19
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
The Silent Network	23V
SportsChannel-New England	23
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	8
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	13
KTVT (Ft.Worth)	20

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Inspirational Network	17
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Video Mall Network	22
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
C-SPAN	24V
C-SPAN II	14V
National Shopping Club	23
The Meadowlands Racing Network	17
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15
SelecTV	13

Source: International Thomson Communications Inc.

Top 100 MSO's

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	4,200,000	(4/87)
2.	American Television and Communications Corp.	3,540,000	(6/87)
3.	Continental Cablevision	1,456,000	(4/87)
4.	Storer Cable Communications	1,395,000	(7/87)
5.	Cox Cable Communications	1,383,015	(6/87)
6.	Warner Cable Communications Inc.	1,341,613	(6/87)
7.	Comcast	1,258,242	(5/87)
8.	United Cable	1,086,457	(4/87)
9.	Newhouse Broadcasting	1,028,543	(8/87)
10.	Heritage Communications Inc.	1,010,717	(5/87)
11.	Viacom Cablevision	1,000,000	(8/87)
12.	Jones Intercable	915,089	(8/87)
13.	Times Mirror Cable Television Inc.	873,087	(7/87)
14.	Sammons Communications Inc.	826,581	(5/87)
15.	UA Cablesystems Corp.	771,278	(5/87)
16.	Cablevision Systems Corp.	707,800	(5/87)
17.	Paragon Cable	636,000	(6/87)
18.	Century Communications Corp.	600,000	(12/86)
19.	Rogers Cablesystems Inc.	535,207	(2/87)
20.	Daniels & Associates	534,344	(6/87)
21.	Cable Vision Industries	510,100	(5/87)
22.	Telecable Corp.	498,165	(8/87)
23.	Centel Cable	493,765	(4/87)
24.	American Cablesystems Corp.	465,779	(7/87)
25.	Adelphia Communications	443,519	(7/87)
26.	Cooke Cablevision	435,000	(6/87)
27.	Scripps-Howard	380,000	(6/87)
28.	Falcon Cable	379,000	(2/87)
29.	Wometco Cable TV Inc.	377,436	(7/87)
30.	Post-Newsweek	372,344	(4/87)
31.	Prime Cable Corp.	330,709	(7/87)
32.	TCA Group	328,071	(4/87)
33.	Multimedia Cablevision	298,112	(6/87)
34.	Tele-Media	297,796	(7/87)
35.	Maclean Hunter Cable TV Ltd.	276,186	(7/87)
36.	Colony Communications Inc.	259,229	(4/87)
37.	Rifkin & Associates	250,000	(4/87)
38.	Lenfest Group	244,813	(7/87)
39.	Western Communications	243,006	(9/87)
40.	Communications Service Inc.	210,000	(12/86)
41.	Service Electric Cable TV Inc.	195,000	(3/87)
42.	TCI-Taft	191,915	(5/87)
43.	TKR Cable Co.	190,417	(4/87)
44.	Adams-Russell Communications	175,000	(7/87)
45.	Cencom Cable	175,175	(8/87)
46.	Hauser Communications Inc.	170,000	(6/87)
47.	Sutton Capital Corp.	152,676	(8/87)
48.	Media General Inc.	151,211	(7/87)
49.	Harron Communications	150,770	(7/87)
50.	Greater Media	149,091	(9/87)
51.	Armstrong Utilities	139,060	(7/87)
52.	Palmer Communications	138,057	(7/87)
53.	Marcus Communications	131,108	(8/87)
54.	Televents Inc.	129,754	(8/87)
55.	Blade Communications	128,378	(4/87)
56.	Essex Communications Corp.	126,745	(7/87)
57.	U.S. Cable Corp.	119,548	(8/87)
58.	Summit Communications	118,134	(4/87)
59.	First Carolina Communications Inc.	114,104	(1/87)
60.	Simmons Communications	112,537	(7/87)
61.	Sonic Communications	111,585	(8/87)
62.	King Videocable	110,791	(8/87)
63.	Bresnan Communications Co.	110,546	(8/87)
64.	Multi-Channel TV Cable Inc.	109,412	(7/87)
65.	Columbia International	109,000	(7/87)
66.	Harte-Hanks Communications	108,484	(8/87)
67.	Scott Cable Communications	106,277	(7/87)
68.	Booth Communications	104,376	(5/87)
69.	Northland Communications	101,735	(8/87)
70.	M.L. Media Partners	97,640	(8/87)
71.	James Communications	92,184	(8/87)
72.	Susquehanna Broadcasting	90,923	(3/87)
73.	McDonald Group	90,079	(8/84)
74.	Midcontinent Cable Systems Co.	88,104	(3/87)
75.	WEHCO Video	87,367	(8/87)
76.	Pencor Services	83,281	(8/87)
77.	United Video Management	82,763	(6/87)
78.	Star Cablevision Group	79,892	(7/87)
79.	Omega Communications	77,626	(1/87)
80.	C4 Media Corp.	68,171	(7/87)
81.	Selkirk Communications	66,581	(5/87)
82.	Masada Corp.	62,092	(8/87)
83.	Acton Corp.	60,035	(1/87)
84.	Mountain Cable Co.	58,650	(7/87)
85.	Chambers Communications Corp.	57,722	(8/87)
86.	Galaxy Cablevision	56,462	(3/87)
87.	Cardinal Communications	53,870	(8/87)
88.	Enstar Communications	53,121	(6/87)
89.	Insight Communications	52,966	(6/87)
90.	North American Comm. Corp.	50,589	(8/87)
91.	Tidel Communications	50,427	(4/87)
92.	State Cable TV	49,956	(7/87)
93.	Hearst Communications of California	49,447	(4/87)
94.	Helicon Corp.	49,000	(8/87)
95.	New England Cablevision	47,005	(7/87)
96.	Dowden Cable	46,646	(8/87)
97.	Joseph Gans Cable TV	46,532	(11/86)
98.	Commonwealth Cable Systems	45,900	(5/87)
99.	Donrey Cablevision	44,112	(4/87)
100.	CableAmerica	43,082	(1/87)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 Systems

Rank	Location	Operator	Basic subs	
1.	San Diego, CA	Cox Cable	282,381	(6/87)
2.	Woodbury (Long Island), NY	Cablevision Systems Corp.	282,000	(5/87)
3.	Manhattan, NY	ATC	233,200	(6/87)
4.	San Antonio, TX	Rogers	220,510	(3/87)
5.	East Orange, NJ	Maclean Hunter	192,618	(7/87)
6.	Houston, TX	Warner	184,926	(6/87)
7.	Puget Sound, WA	Viacom	184,000	(8/87)
8.	Honolulu, HI	ATC	182,500	(6/87)
9.	Phoenix, AZ	Times Mirror	165,688	(7/87)
10.	Cincinnati, OH	Warner	156,863	(6/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	155,480	(7/87)
12.	Wayne, NJ	UA Cablesystems	154,622	(5/87)
13.	Englewood, CO	United Cable	154,165	(4/87)
14.	Hampton Roads, VA	Cox Cable	146,972	(6/87)
15.	Tulsa, OK	United Cable	145,350	(4/87)
16.	Rochester, NY	ATC	145,300	(6/87)
17.	Cherry Hills, NJ	NYT	145,075	(7/87)
18.	Orlando,FL	ATC	143,500	(6/87)
19.	Atlanta, GA	Prime Cable Corp	140,737	(7/87)
20.	Fairfax, VA	Media General	140,500	(7/87)
21.	Hartford/Plainville, CT	United Cable	136,479	(2/87)
22.	Jacksonville, FL	Continental	136,000	(4/87)
23.	Kansas City, MO	ATC	130,000	(6/87)
24.	Baltimore County, MD	Comcast	128,552	(5/87)
25.	Buffalo, NY	Adelphia Communications	128,105	(4/87)
26.	Erie County, NY	Adelphia	127,160	(3/87)
27.	San Jose, CA	Gill Industries	125,000	(9/87)
28.	Seattle, WA	Tele-Communications Inc.	125,000	(12/86)
29.	Manhattan, NY	Paragon Cable	125,000	(5/87)
30.	Memphis/W. Memphis, TN	ATC	120,400	(6/87)
31.	Charlotte, NC	ATC	118,791	(3/87)
32.	Long Island, NY	Viacom	116,000	(8/87)
33.	San Francisco, CA	Viacom	112,000	(8/87)
34.	Austin, TX	ATC	110,900	(6/87)
35.	St. Louis Co., MO	Cencom Cable	109,732	(8/87)
36.	San Diego, CA	ATC	107,400	(6/87)
37.	Pompano, FL	American Cablesystems	106,801	(7/87)
38.	Toledo, OH	Blade Communications	105,500	(7/87)
39.	San Juan, PR	ML Media Partners	104,823	(11/86)
40.	Warren, NJ	TKR	104,569	(6/87)
41.	Dallas, TX	Heritage	102,281	(5/87)
42.	Southeast Michigan	Comcast	100,031	(5/87)
43.	Jefferson Parish/Kenner, LA	Cox Cable	98,574	(6/87)
44.	Pinellas County, FL	Vision Cable	94,996	(4/87)
45.	Wilmington, DE	Heritage	94,645	(5/87)
46.	Grand Rapids, MI	UA Cablesystems	94,542	(5/87)
47.	Dade/Broward, FL	Storer	91,511	(7/87)
48.	Escondido, CA	Times Mirror	90,893	(7/87)
49.	Indianapolis, IN	Comcast	88,821	(5/87)
50.	Richmond, VA	Continental	88,604	(7/87)
51.	Raleigh/Durham, N.C.	ATC	88,198	(3/87)
52.	Tacoma, WA	Viacom	86,000	(8/87)
53.	Pittsburgh, PA	Tele-Communications Inc.	85,000	(12/86)
54.	Oakland County, MI	United Cable	82,304	(2/87)
55.	Boston, MA	Cablevision	82,100	(5/87)
56.	Wichita, KS	Multimedia Cablevision	81,995	(5/87)
57.	South Texas, TX	Heritage	79,981	(5/87)
58.	Flint, MI	Comcast Cable	79,812	(5/87)
59.	Baton Rouge, LA	Daniels & Assocs.	79,324	(6/87)
60.	Nashville, TN	Viacom	79,000	(8/87)
61.	Milwaukee, WI	Warner	78,635	(6/87)
62.	Orange County, CA	Times Mirror	78,287	(7/87)
63.	Akron, OH	Warner	76,668	(6/87)
64.	New Orleans, LA	Cox Cable	75,892	(6/87)
65.	Las Vegas, NV	Prime	75,169	(7/87)
66.	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
67.	South Bend, IN	Heritage	74,321	(5/87)
68.	Melbourne/Cocoa, FL	ATC	74,200	(6/87)
69.	Santa Monica, CA	Century	74,000	(5/86)
70.	Allentown, PA	Service Elec.	74,000	(3/87)
71.	Dover, Morristown, NJ	Sammons	73,787	(5/87)
72.	Cleveland Heights, OH	Viacom	72,000	(8/87)
73.	Ocean County, NJ	Adelphia	71,961	(7/87)
74.	Contra Costa Co. CA	Televents	71,537	(8/87)
75.	Columbus, OH	Warner	70,984	(6/87)
76.	Medford Complex (Boston Suburbs), MA	Warner	70,659	(6/87)
77.	Fayetteville, NC	ATC	70,136	(3/87)
78.	Omaha, NE	Cox Cable	69,513	(6/87)
79.	Harrisburg, PA	Sammons Communications	69,172	(5/87)
80.	Little Rock, AR	Storer	68,043	(7/87)
81.	St. Petersburg, FL	Paragon Cable	68,000	(5/87)
82.	Indianapolis,IN	ATC	67,600	(6/87)
83.	Des Moines, IA	Heritage	66,835	(5/87)
84.	Albuquerque, NM	Jones Intercable	66,470	(7/87)
85.	Birmingham, AL	ATC	66,254	(3/87)
86.	Oklahoma City, OK	Cox Cable	66,184	(6/87)
87.	Syracuse (suburbs), NY	NewChannels Corp.	66,000	(7/87)
88.	New Haven, CT	Storer	65,894	(7/87)
89.	Greater Bridgeport, CT	Cablevision Co.	65,800	(5/87)
90.	Lower Fairfield Co., CT	Cablevision Co.	65,600	(5/87)
91.	El Paso, TX	Group W (ATC)	65,000	(5/87)
92.	Winston-Salem, N.C.	Summit	64,072	(4/87)
93.	Monterey, CA	Western Communications	63,815	(4/87)
94.	W. San Fernando Valley, CA	Valley Cable	63,344	(7/87)
95.	Lincoln, RI	Heritage	63,128	(5/87)
96.	Cook County, IL	Continental	63,000	(4/87)
97.	Madison, WI	Tele-Communications Inc.	63,000	(12/86)
98.	Westchester Co., NY	UA Cablesystems	62,804	(5/87)
99.	Charleston, S.C.	Storer	62,413	(7/87)
100.	Albany, GA	Storer	61,726	(7/87)

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10/19/87

OCTOBER 12, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

GENERAL MANAGERS SPEAK OUT

DO TCI DEALS FORESHADOW BREAKUP?

CHECKING OUT LIFETIME'S NEW STUDIOS

BIGGER CROWD GATHERS IN ATLANTIC CITY

EXPERTS SEE STILL HIGHER SYSTEM PRICES

SEEING FIBER IN A NEW LIGHT: HAT YOU KNOW PROBABLY IS WRONG

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CableVision

FRONT LINE

All-fiber choice 12
Irving Kahn is planning to build "an alternative cable service" in the New Jersey area that will offer all-fiber cable, something he claims will be cheaper than typical coaxial systems.

Teaming up 16
TCI and Robert Bass are reportedly teaming up yet again for a possible purchase of the Storer systems. Others interested in the systems include ATC, Comcast, Cox, Centel and Scripps Howard.

Prices on the rise 18
Panelists at a Paul Kagan seminar last week indicated the prices being paid for systems—many going for 12 and 13 times cash flow—haven't reached the top yet.

New syndex needs not proven 20
Arguments haven't proven there's a need for syndex protection for local broadcasters, and some MSOs are claiming widespread blackouts if such protection is granted.

MMDS competition 24
The MMDS industry is demanding its share of programming and, according to some, cable's competition looms ever closer.

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People often make a job change with insufficient information about themselves, and pursue a straight-line career when current conditions may call for broken-field running.

PROGRAMMING

PPVN set to launch 32
The Pay Per View Network says it's ready for a planned Dec. 1 launch, and has signed an uplink contract with Group W Satellite Communications. But long-term studio deals for film product aren't yet clear.

Looking at Lifetime's studio plans 40
Lifetime's $50 million investment in the Astoria studios will halve the network's production costs while giving it the capacity to produce six shows a day. The bold move prompts a variety of questions important to cable channels.

MANAGEMENT

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Times are both good and bad for system general managers these days, we find out in our annual roundtable discussion. But the front-line job of keeping subscribers happy and winning new ones gets harder every day.

LAW AND REGULATION

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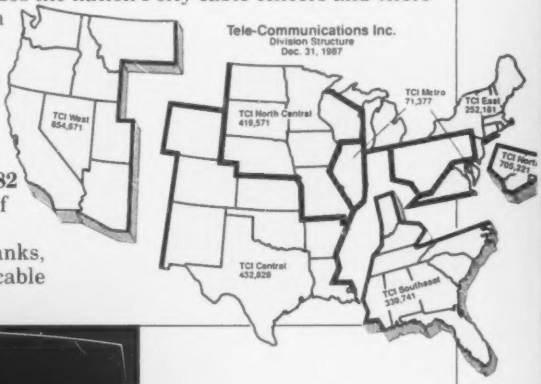
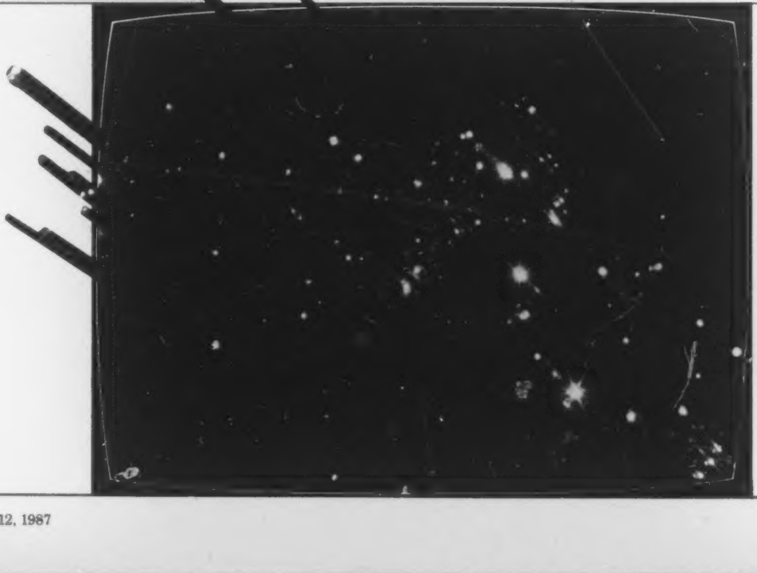
NCTA President James Mooney addresses the nation's city cable officers and offers to open a dialogue aimed at "evolving a constitutional doctrine" for cable. The regulators welcome the overture, but remain restive.

BUSINESS

TCI readies $2 billion refinancing 82
An effort to refinance more than half of TCI's $4.5 billion in debt will see the company talk with dozens of foreign banks, and may foreshadow the day when the cable giant is broken up.





COVER STORY

Seeing the light 48
If you think you know fiber, think again. Lightwave technology has changed tremendously, to the point many believe it's just as reliable and no more expensive than coax. Cover courtesy of Corning Glass Works.

BETWEEN THE LINES

Help yourself, hire Kaitz fellow

One of the cable industry's best contributions to American society isn't its technology or its programming, but rather its commitment to the hiring and advancement of women and minorities. And for that the industry rightly should thank—and support—the Walter Kaitz Foundation.

It was well noted in Washington recently when Federal Communications Commission data showed that cable had surpassed broadcast television, on a percentage basis, in minority employment. An impressive statistic in that FCC data was the sizeable number of women and minorities who are moving into top management positions.

A year ago I was a judge assisting the Kaitz Foundation in selecting the fellows to be placed in industry positions. I was greatly impressed by the diligence and fervor Spencer Kaitz and everyone else associated with the Foundation displayed in picking only the best candidates, and then making sure they were placed in good jobs.

At the Foundation's annual dinner late last month in New York, it was announced that some of this year's class of fellows haven't yet been offered positions. If you have a management position at your company, call the Foundation and arrange an interview. It may be the best hiring move you will ever make.

- *CableVision* goes to Europe this month when West Coast Bureau Chief Fred Dawson journeys there to cover the Continent's two major trade shows, MIPCOM in Cannes and Intelevent '87 in Geneva. During his three-week stay Fred also will visit with industry and government leaders in several countries and prepare a series of analytical reports on current opportunities for technology transfer and programming sales. Look for his series of reports to begin next month. We hope that this initiative will be the start of regular contacts between the magazine and its readers with key individuals, companies and governments in Europe.
- Some years ago when I first started covering the cable industry in Washington, and didn't understand a whole lot that was going on, I learned that I could pick up the phone and call Marty Malarkey or Archer Taylor at Malarkey-Taylor Associates and get a quick, plain-English explanation of some complex subjects. Understandably, I developed a healthy respect for that firm and an admiration of its people. I was very flattered, then, when we received the following letter from Dr. Samuel Book, president of the firm's research division:

"It was a pleasure to read the latest issue of *CableVision*, and not only because I was quoted in your opening article. I would like to congratulate you and your staff on the new look, greater depth of coverage and more insightful analysis of recent *CableVision* issues. The publication has, in our opinion, made a significant contribution to the industry, especially in the past few months.

"In the September 14 issue, there were at least a half dozen noteworthy articles which were thoughtful, informative and helpful to anyone interested in key issues facing our industry. I was particularly interested in the articles by Ms. Kahn and Mr. Wolfe, including Mr. Wolfe's editorial 'Opposing Overbuilds.'

"Keep up the good work, and please let me know if we can be of any help."

—Steve Tuttle
Executive Editor

William McGorry, Publisher
Steve Tuttle, Executive Editor

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ABP BPA

Film product comparison-October

Film	Pay Networks					Distributor
3 Worlds of Gulliver,The					MAX	Columbia
3:15			TMC			RK Video
48 Hours	HBO				(MAX)	Paramount
52 Pick-Up		*ST				Cannon
90 Days					MAX	Cinecom
Absence of Malice					MAX	Columbia
Airplane!	HBO	(ST)				Paramount
Alice's Adventures In Wonderland		(ST)	TMC			Muller Media
Aliens	(HBO)	(ST)	(TMC)		*MAX	
American Flyers	*HBO	(ST)	TMC			Warner Bros.
American in Paris, An		(ST)	TMC	*DIS		MGM/UA
American Justice	(HBO)		TMC			The Movie Store
American Ninja			*TMC			Cannon
Around The World in Eighty Days					MAX	Warner Bros.
Arthur's Hollowed Ground			(TMC)	*DIS		Film Gallery
As Summers Die	HBO					Telepictures
As Young As You Feel					MAX	20th Century-Fox
At Close Range	(HBO)				MAX	Hemdale Film
At Last, At Last		(ST)	TMC			J.Brenner
Avenging Force		*ST	*TMC			Cannon
Awful Truth, The					MAX	Columbia
Bachelor Mother					MAX	RKO
Back To School	*HBO	(ST)	(TMC)		(MAX)	Orion
Back To The Future	*HBO		TMC		(MAX)	Universal
Bad Manners					MAX	New World
Bad Medicine		ST			(MAX)	20th Century-Fox
Bad News Bears Go To Japan, The	HBO	ST				Paramount
Ballad of Cable Hogue					MAX	Warner Bros.
Ballerina and the Blues, The					MAX	Astral Film
Bandit of Sherwood Forest, The				*DIS		Columbia
Barretts of Wimpole Street, The		*ST	TMC	DIS		MGM/UA
Basic Training		ST			(MAX)	The Movie Store
Beast From 20,000 Fathoms, The		(ST)	(TMC)		MAX	
Bedtime Story					MAX	Columbia
Betrayed		(ST)	TMC			MGM/UA
Big Trouble in Little China	(HBO)	(ST)	(TMC)		MAX	20th Century-Fox
Black Moon Rising					MAX	New World
Blake Edwards'That's Life!					MAX	Columbia
Blood Alley		(ST)			MAX	Warner Bros.
Blue Bird, The				DIS		Goldwyn
Blue City		*ST	(TMC)			Paramount
Blue Skies Again			*TMC			Warner Bros.
Blue Velvet		*ST	(TMC)			DEG
Boy In Blue, The			*TMC		(MAX)	20th Century-Fox
Boy Who Could Fly, The				*DIS		Lorimar
Brazil	(HBO)		(TMC)		MAX	Universal
Breakin'					MAX	Cannon
Breaking Away		(ST)	*TMC		(MAX)	20th Century-Fox
Breed Apart,A	(HBO)				MAX	Hemdale Films
Broken Promise			*TMC			Viacom
Bullies	(HBO)		*TMC			Universal
Bullshot	HBO					Ganga
Camelot		ST			MAX	Warner Bros.
Capture of Grizzly Adams				*DIS		Worldvision Ent.
Cartier Affair, The	HBO					King Feature
Casey's Shadow	HBO				(MAX)	Columbia
Cattle Annie & Little Britches					MAX	Hemdale Leisure
Cavegirl					MAX	Crown
Challenge for Robin Hood, A	HBO	(ST)				Warner Bros.
Charge at Feather River		ST				Warner Bros.
Charlie Chan and the Curse of the Dragon Queen	HBO					American
Charlie Smith and the Fritter Tree				*DIS		WGBH Boston
Cheyenne Social Club		ST	(TMC)		(MAX)	Warner Bros.
Child of Glass				*DIS		Disney
Children of a Lesser God		ST				Paramount
China Syndrome, The	HBO				(MAX)	Columbia
Chisum		ST	(TMC)		(MAX)	Warner Bros.
Choke Canyon	HBO					UFD
City Limits			*TMC			Atlantic
Clan and the Cave Bear	(HBO)				*MAX	Warner Bros.
Class	HBO	ST	(TMC)		(MAX)	Albacore Prod.
Claudia and David					MAX	20th Century-Fox
Club Paradise	(HBO)				MAX	Warner Bros.
Coca-Cola Kid, The	HBO		(TMC)			Film Gallery
Code Name: Emerald			TMC		(MAX)	MGM/UA
Codename Wildgeese					MAX	New World
Crawlspace	HBO				(MAX)	Vestron
Creator		ST	(TMC)		(MAX)	Universal
Critters	(HBO)				MAX	New Line
Crossroads	(HBO)				MAX	Columbia
Darby O'Gill and the Little People				DIS		Disney
Death of a Salesman		ST	(TMC)			ICM
Defcon-4	HBO					New World
Delta Force, The		(ST)	TMC			Cannon
Detective School Dropouts		(ST)	TMC			Cannon
Dirt Bike Kid, The				*DIS		World Vision Ent.
Dog of Flanders,A				*DIS		UPA Prod.of America
Don't Make Waves		ST				MGM/UA
Down and Out in Beverly Hills		ST	(TMC)			Touchstone
Down By Law			TMC			Island Pictures
Dragonslayer	(HBO)	*ST		(DIS)		Paramount
Dream Chasers, The				*DIS		Pacific Intl.
Duchess of Idaho		ST	(TMC)	(DIS)		MGM/UA
Easy Money	HBO				(MAX)	Orion
Easy Rider	HBO					Columbia
Eat and Run					MAX	New World
Echo Park		ST	(TMC)			Atlantic
Electric Dreams		(ST)	(TMC)	*DIS	(MAX)	MGM/UA
Eleni	HBO				(MAX)	Warner Bros.
Emerald Forest, The		ST	(TMC)			Embassy
Emmanuelle 4		(ST)	*TMC		(MAX)	MGM/UA
Exchange Student, The	(HBO)	ST				Scholastic
Far From the Madding Crowd			*TMC			MGM/UA
Ferris Bueller's Day Off		*ST	*TMC			Paramount
Fever Pitch	HBO					MGM/UA
Finian's Rainbow					MAX	Warner Bros.
Fire With Fire		*ST				Paramount
Flight Lieutenant					MAX	Columbia
Florida Straights	*HBO					Independence
Free Spirit		ST				J.Brenner
Friday the 13th Part IV			TMC			Paramount
Friday the 13th-The Final Chapter			TMC			Paramount
Funny Girl	(HBO)				MAX	Columbia
Gang's All Here, The				DIS		20th Century-Fox
Gilda Live					MAX	Warner Bros.
Girls Just Want to Have Fun	(HBO)				MAX	New World
Girls School Screamers		ST	(TMC)			Troma
Glass Bottom Boat, The		(ST)		(DIS)	MAX	MGM/UA
Gnome-Mobile, The				DIS		Disney
Gods Must Be Crazy,The	(HBO)		(TMC)		MAX	20th Century-Fox
Goldy II-The Saga of the Golden Bear		ST				Nu-Image Film
Goodbye, Mr.Chips		(ST)	(TMC)	*DIS	MAX	MGM/UA
Goodbye, Emmanuelle		*ST				Miramax
Goonies, The					*MAX	Warner Bros.
Grand Baby				DIS		Rainbow TV Works
Grand Prix		ST			(MAX)	MGM/UA
Greaser's Palace			TMC			Castle Hill
Great Santini, The					MAX	Warner Bros.
Gulliver's Travels				DIS		Miramax Films
Hannah and Her Sisters	HBO				MAX	Orion
Happy Hooker Goes Hollywood, The		ST	(TMC)			Cannon
Hardbodies	(HBO)	(ST)			MAX	Columbia
Hardbodies 2	(HBO)	ST			MAX	Columbia
Haunted Honeymoon	(HBO)	(ST)			MAX	Orion
Haunted School, The				DIS		Revcom
Hearts and Armour					MAX	Warner Bros.
Heathcliff:The Movie				*DIS		Clubhouse Pictures
Heidi				DIS		20th Century-Fox
Herbie Rides Again				*DIS		Disney
Hi, Good Lookin'!				*DIS		Universal
Hideaways, The			TMC			Lorimar
Highlander	HBO		(TMC)		(MAX)	20th Century-Fox
Hollywood Vice Squad	HBO				(MAX)	Cinema
Home of Our Own, A		ST				Viacom
Honeymoon Lodge				*DIS		Universal
Honkeytonk Man					MAX	Warner Bros.
Hot Moves		(ST)	TMC			RK Video
Hot Resort	HBO				(MAX)	Cannon
Hotel			*TMC		MAX	Warner Bros.
House					*MAX	New World

Film	Pay Networks					Distributor
House of Dies Drear, The				DIS		Wonderworks
House of the Seven Hawks		ST				MGM/UA
How to be Very Very Popular				*DIS		20th Century-Fox
Hurry Sundown			TMC		(MAX)	Paramount
I am a Camera			TMC			New Century
I Ought to be in Pictures			TMC		MAX	20th Century-Fox
Impossible Years, The		(ST)	TMC			MGM/UA
Invasion U.S.A.		ST	(TMC)			Cannon
Jewel of the Nile, The	(HBO)	(ST)			MAX	20th Century-Fox
Jim Thorpe-All American			(TMC)		MAX	Warner Bros.
John F. Kennedy: Years of Lightning					MAX	Castle Hill
Joy of Sex		(ST)	TMC			Paramount
Jumpin'Jack Flash	HBO	ST	TMC			20th Century-Fox
Karate Kid Part II	(HBO)				*MAX	Columbia
Killing Machine, The			*TMC			Lorimar
Kim			(TMC)	*DIS		MGM/UA
King Solomon's Mines		(ST)	TMC			Cannon
Lady Chatterley's Lover					MAX	Viacom
Laguna Heat	HBO					Laguna Heat
Last Innocent Man, The	*HBO					Maurice
Last Resort	HBO					Trinity
Late Great Me			TMC			J. Phillips
Legend	(HBO)	ST			(MAX)	Universal
Legend of Lobo, The				*DIS		Disney
Lies			*TMC			Film Gallery
Lies My Father Told Me	(HBO)				MAX	Columbia
Longshot, The	(HBO)	(ST)	(TMC)		MAX	Orion
Make Mine Chartreuse					MAX	Astral Film
Mandela	*HBO					Titus
Marie: A True Story		(ST)	TMC			TBS
Marlowe		(ST)	TMC		(MAX)	MGM/UA
Men's Club, The		ST				Paramount
Midnight Madness	HBO					Walt Disney
Million Dollar Collar				DIS		Disney
Miracles	(HBO)				MAX	Orion
Misadventures of Merlin Jones, The				*DIS		Disney
Mona Lisa		ST	*TMC			Island Pictures
Money Pit, The	(HBO)	(ST)	TMC		(MAX)	Universal
Morning After, The					MAX	Lorimar-Telepictures
Mountaintop Motel Massacre	HBO					New World
Mr. Belvedere Goes to College				DIS		20th Century-Fox
Mr. Rossi's Dreams				DIS		Italtoons
Mr. Blandings Builds His Dream House					MAX	RKO
Murphy's Law		ST	(TMC)			Cannon
Murphy's Romance	*HBO				(MAX)	Columbia
My American Cousin		(ST)	TMC		(MAX)	Indep.Prod.
My Beautiful Laundrette			*TMC		(MAX)	Orion
My Chauffeur					MAX	Crown
My Little Pony				*DIS		Sunbow Productions
Nadia				DIS		Tribune Ent.
Night Mother	HBO	ST	TMC			Universal
Night of the Iguana, The		ST				MGM/UA
Night Patrol	HBO					New World
No Deposit, No Return				*DIS		Disney
No Retreat No Surrender					MAX	New World
Now For Something Completely Different	HBO					Columbia
On The Edge			TMC		(MAX)	New Century
One-Eyed Jacks			(TMC)		MAX	Paramount
Operation Pacific					MAX	Warner Bros.
Ordinary Heroes	HBO				(MAX)	Video Med.
Over the Edge	HBO				(MAX)	Warner Bros.
Oxford Blues			TMC		MAX	MGM/UA
Pardon My Past					MAX	Columbia
Passions	HBO					Columbia
Patricia		ST				Film Gallery
Patriot, The					MAX	Crown
Pee Wee's Big Adventure	*HBO	(ST)	TMC			Warner Bros.
Peggy Sue Got Married	HBO				MAX	Tri-Star
Peter Lundy and the Medicine Hat Stallion		ST				Viacom
Pleasure of His Company			(TMC)	DIS	MAX	Paramount
Plymouth Adventure		ST		DIS	MAX	MGM/UA
Point, The				DIS		Murakami
Polly of the Circus		(ST)	*TMC			MGM/UA
President's Analyst			TMC			Paramount
Professionals, The					*MAX	Columbia
Pumping Iron II					MAX	Lorimar-Telepictures
Quarterback Princess				*DIS	(MAX)	Televentures
Quick and the Dead, The	*HBO					Cates
Quicksilver	(HBO)				*MAX	Columbia
Quinn's, The		(ST)	TMC			J. Phillips
Rabbit, Run			*TMC			Warner Bros.
Rage			(TMC)		MAX	Warner Bros.
Rat Race, The					MAX	Paramount
Rebel	HBO					Vestron
Return of the Antelope				DIS		Granada TV Intl.Ltd
Return to Oz				*DIS		Disney
Richard Pryor-Here and Now		*ST			(MAX)	Columbia
Richard Pryor Live on the Sunset Strip					MAX	Columbia
Rodgers and Hammerstein's 'Cinderella'				*DIS		S. Goldwyn
Room With a View		(ST)	*TMC			Paramount
Round Midnight					MAX	Warner Bros.
Roxie Hart				DIS		20th Century-Fox
Runaway Train		(ST)	*TMC			Cannon
Running Scared	(HBO)				MAX	MGM/UA
Saving Grace	(HBO)				MAX	Columbia
Sensuous Nurse		ST				Castle Hill
Seven Minutes to Heaven	HBO					Warner Bros.
Seventh Voyage of Sinbad, The					MAX	Columbia
Sex Appeal		ST				Vestron
Shattered Vows	HBO					J.Phillips
She's Gotta Have It		ST				Island Pictures
Shipwreck!		(ST)			MAX	Warner Bros.
Short Circuit	HBO				(MAX)	Tri-Star
Showboat		ST	(TMC)	*DIS	(MAX)	MGM/UA
Silver Chalice, The		ST	(TMC)			Warner Bros.
Sleeping Beauty				DIS		Disney
Snoopy,Come Home				DIS		CBS
Solo				DIS		Dayton/Stewart
Something Wicked This Way Comes	*HBO		TMC			Walt Disney
Something Wild		ST	TMC		MAX	Orion
Sounder				DIS		UPA Prod. of America
South Pacific				DIS		Goldwyn
Spiker					MAX	S. Borde
Spy Who Came in From the Cold			TMC		(MAX)	Paramount
Stalking Moon, The					MAX	Warner Bros.
Stand Alone					MAX	New World
Start the Revolution Without Me			(TMC)		MAX	Warner Bros.
Static			TMC			Siren
Stephen King's Silver Bullet			*TMC			Paramount
Sterile Cuckoo, The	HBO					Paramount
Stoogemania		ST	(TMC)			Atlantic
Stormin' Home					MAX	Televenture
Strange Invaders		ST	(TMC)		(MAX)	Orion
Strange Lady in Town			TMC			Warner Bros.
Streets of Gold			TMC		MAX	Fox/Lorber
Stripes	HBO				(MAX)	Columbia
Sweet Liberty		ST				Universal
Sword of Gideon	*HBO					I.C.C.
Sylvester	HBO				(MAX)	Columbia
Tex	(HBO)	(ST)	TMC	(DIS)		Touchstone
Things are Tough All All Over	HBO					Columbia
This Sporting Life			*TMC			New Century
Those Glory,Glory Days		(ST)	TMC	(DIS)		Film Gallery
Three Without Fear				*DIS		Disney
Thunder Alley	(HBO)	(ST)	TMC		(MAX)	Cannon
To Live and Die in L A.	HBO				(MAX)	MGM/UA

Cable Network Legend:
TMC—The Movie Channel
HBO—Home Box Office
DIS—The Disney Channel
ST—Showtime
MAX—Cinemax

- Networks in parentheses indicate carriage in June, July August September and/or October.
- An asterisk indicates the film is a carry-over from June, July August September and/or October.
- In total, 320 films appear on the October schedules of Home Box Office, Showtime, The Movie Channel, The Disney Channel and Cinemax. Of those titles, during the last six months, none has played on all five services, 10 have played on four of the five services, 33 have played on three, and one hundred and six have played on two of the five services. One hundred and sixty-seven titles on the October schedules of these five services were unduplicated in the last six months.
- The motion picture distributor with the most titles is Warner Bros. with 37, Columbia with 32, Paramount with 24, MGM/UA with 23, 20th Century-Fox with 18.

Cities' survey of cable rates shows little real dissatisfaction

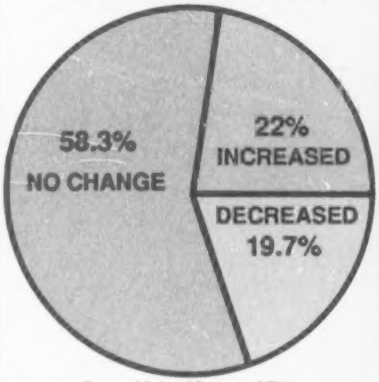
MILWAUKEE—A survey of municipal cable regulators conducted by the National League of Cities and released at the NATOA conference here indicates that while rate deregulation has not generated widespread concern, most cities have experienced some degree of channel repositioning by cable operators.

The League, seeking to guage the impact of the 1984 Cable Act on local regulators, surveyed 233 franchising authorities covering 274 cable franchises serving 4.68 million subscribers. The results show that since deregulation took effect, 82.6 percent of the operators covered by the survey hiked their rates for basic cable.

But "the significance of this number is diminished," NLC reports, by the fact that 40.4 percent of the increases were accompanied by an increase in the number of services included in basic. In most cases, the League says, the increases in service "were considered to be equivalent in value to the rate increase."

Therefore, only 42.3 percent of respondents reported an "effective increase" in rates, NLC says. The average increase in those instances was 27.5 percent, according to the survey. The study also found a "clear tendency to collapse multiple tiers of basic service" into a smaller number of service levels.

Subscriber satisfaction after the Cable Act



Source: National League of Cities

The league was unable to guage whether the Cable Act has had any effect on subscriber satisfaction. According to the survey, 58.3 percent of the regulators reported no change, while 22 percent said deregulation has increased subscriber satisfaction and 19.7 percent said the level of satisfaction has decreased.

But 73.5 percent of respondents said that operators have changed or repositioned broadcast stations—a result some sources claim was a key factor in the league's decision to help broadcasters seek channel positioning legislation. And where cable franchises included "valid programming requirements," NLC maintains, 33.5 percent of those surveyed reported unilateral changes made without prior municipal approval. ■

This notice appears as a matter of record only.
August 1987

Wander Telecommunications
Has acquired
Valley Viewers Cable TV
Serving Washoe and Story County, Nevada

Dan Forey represented
the buyer.

DANIELS
&ASSOCIATES
2930 E. Third Avenue
Denver, Colorado 80206
303/321-7550

Financial Services to the Cable Communications Industry.

CABLE STATS

Subscriber Count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	319	5,805,477
Alternate View Network	238	2,770,000
America's Value Network	212	4,150,000
Arts & Entertainment (A&E)	2,400	24,000,000
Black Entertainment Television (BET)	912	16,000,000
CBN Cable Network	7,710	36,708,000
C-SPAN	2,600	31,000,000
C-SPAN II	420	11,600,000
Cable News Network (CNN)	11,121	41,078,000
Cable Value Network	150	19,000,000
Consumer Discount Network	68	900,000
Country Music Television	470	6,700,000
The Discovery Channel	2,400	24,400,000
ESPN	17,000	43,700,000
Eternal Word Television Network (EWTN)	373	6,800,000
Financial News Network (FNN)	1,690	26,700,000
FNN/Score	1,080	19,800,000
FNN/TelShop	700	11,000,000
GalaVision	288	900,000
Gospel Music Network	31	744,447
Headline News	3,343	27,094,000
Hit Video USA	160	2,100,000
Home Shopping Network	1,108	15,200,000
Home Shopping Network 2	260	5,800,000
International Television Network	56	7,868,900
The Inspirational Network	1,083	10,747,700
The Learning Channel	900	10,340,253
Liberty Broadcasting Network	45	1,000,000
Lifetime	3,400	33,000,000
The Motivation Network	24	450,000
Movietime	56	2,000,000
Music Television (MTV)	4,709	35,800,000
The Nashville Network	5,200	35,000,000
National Jewish Television (NJTV)	295	6,800,000
National Shopping Club	65	1,500,000
Nickelodeon	5,150	34,200,000
The Nostalgia Channel	215	1,200,000
QVC Network	731	10,394,159
Silent Network	300	9,500,000
Tempo Television	665	12,500,000
The Travel Channel	120	6,000,000
Trinity Broadcasting Network	523	7,037,000
USA Network	9,200	39,000,000
Video Hits One (VH-1)	1,697	20,800,000
Video Shopping Mall	600	14,000,000
The Weather Channel	2,750	28,151,540
WGN-TV	10,286	22,481,000
WOR-TV	2,212	9,464,548
WPIX-TV	371	2,471,000
WTBS-TV	12,138	41,952,000

Pay services

American Movie Classics	1,200	7,000,000
Bravo	350	500,000
Cinemax	3,650	4,100,000
The Disney Channel	4,300	3,175,000
Festival	N/A	N/A
Home Box Office (HBO)	6,700	15,000,000
The Movie Channel	3,250	3,250,000
The Playboy Channel	600	550,000
Showtime	3,200	5,400,000

Audio services

Cable Radio Network	32	738,000
JazzAmerica	N/A	N/A
KKGO Super Jazz	17	146,661
Moody Bible Institute	62	931,528
National Black Network	N/A	N/A
Satellite Radio Network	251	740,000
Seeburg Lifestyle	151	2,465,273
Seeburg Lifestyle Adult Contemporary	25	536,227
Tempo Sound	300	1,000,000
WFMT Chicago	168	1,343,000

Text services

AP News Cable	185	2,500,000
AP Business Plus	54	1,400,000
AP Business Watch	20	500,000
AP News Plus	75	2,100,000
Cable SportsTracker	37	2,372,000
DBC/MarketWatch	240	5,000,000
Electronic Program Guide (EPG)	412	7,261,000
EPG Jr.	122	145,171
Genesis Cable Storytime	35	1,350,000
Reuters News View	127	2,437,000
TV Decisions	170	6,300,000
UPI Data Cable	450	4,000,000
X*Press	60	1,000
X*Press Exchange	200	1,000,006

Non-satellite-fed national services

Bicycled services	Affiliates	Subscribers
Cable Auto Showcase	5	400,000
Cable Video Entertainment	170	6,500,000
Fuji Network	3	12,000
Nippon Golden Network	3	13,660
Telaction	N/A	N/A
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000

Regional entertainment services

Basic services	Affiliates	Subscribers
Atlanta Interfaith	7	156,000
Bay Area Religious Channel (BARC)	6	113,000
Buffalo Sabres Hockey	9	400,000
Cable TV Network of New Jersey	34	1,369,829
The Ecumenical Channel	12	170,000
KTVT	221	1,891,000
Life Newsvision	35	50,000
Madison Square Garden	92	2,092,434
Meadows Racing Network	15	600,000
News 12 Long Island	7	500,000
Prime Cable	8	330,709
Prime Ticket	30	1,600,000
SportsVision (Chicago)	45	939,400

Pay services

Dodgervision	44	935,000
Giantavision	38	1,000,000
Home Sports Entertainment—Houston/Dallas	140	450,000
Home Team Sports	100	748,000
New England Sports Network	148	209,520
PRISM-Philadelphia	86	396,578
Pro-Am Sports	140	301,000
SportsChannel (Florida)	2	45,000
SportsChannel (New England)	142	730,000
SportsChannel (New York)	77	842,000
Z Channel	21	84,000

Note: Figures for affiliate and subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.
N/A denotes information not available.
TBA denotes to be announced.

Announced services

Satellite-fed services	Expected launch
Americana Network	2nd Quarter 1988
American Catalog Network	3rd Quarter 1987
Apollo Entertainment Television	TBA
Comedy Television	2nd Quarter 1987
Discovery Computer Network	1987
Discovery Financial Network	1987
Drive-In Movie Channel	2nd Quarter 1987
El Canal Musical	4th Quarter 1987
Ethnic Radio Networks	1st Quarter 1987
The Fashion Channel	8/87
International Cablecasting's Cable Radio Network	9/87
Movietime	7/87
Pay Per View Partners	4th Quarter 1987
The Preview Network	4th Quarter 1987
Television Catalog	1st Quarter 1988
Tunnelvision	10/87
United Shoppers of America	9/87
Vacation Travel Network	4th Quarter 1987
World Travel Network	4th Quarter 1987
You TV	1/88

C4722-2
10/26/87

OCTOBER 26, 1987

CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

BANKERS STILL BULLISH

CONTINENTAL SWALLOWS AMERICAN

HDTV PUTS INDUSTRY IN CATCH-22

CHANNEL SWAP DEBATE GETS HEATED

STAGGERING LOSSES SEEN FOR TELESAT

ASSESSING CABLE'S IMAGE: ARE OPINIONS BEING CHANGED?

The Nature And Role Of Public Relations

Organization
Analysis and Research
Policy Formation
Planning and Programming
Communications
Assessment and Adjustment

************MIXED CTY 20814
43603 880430 CVMP 9317 CT
EDITOR/ACQUISITIONS
SRI
4520 EAST WEST HIGHWAY
BETHESDA MD 20814

CableVision

FRONT LINE

American sold 12
Steven Dodge walks away with $50 million and Barry Lemieux more than $20 million as Continental agrees to pay $46.50 a share for American Cablesystems in a deal that startles many.

Staggering losses 16
Everyone knows Florida Power & Light has deep pockets, and it certainly will need the dough to cover staggering losses that would pile up if it overbuilds all of Dade County. Touche Ross puts the red ink at $138 million.

A scrambling report card 17
The FCC issues the cable industry's second report card on scrambling and finds that the marketplace is developing slowly but nicely. The commission tells Congress to sit this one out.

Leak, leak, leak 21
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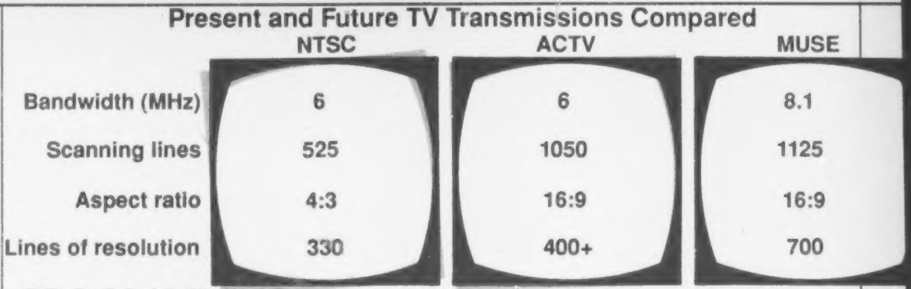

Present and Future TV Transmissions Compared

	NTSC	ACTV	MUSE
Bandwidth (MHz)	6	6	8.1
Scanning lines	525	1050	1125
Aspect ratio	4:3	16:9	16:9
Lines of resolution	330	400+	700

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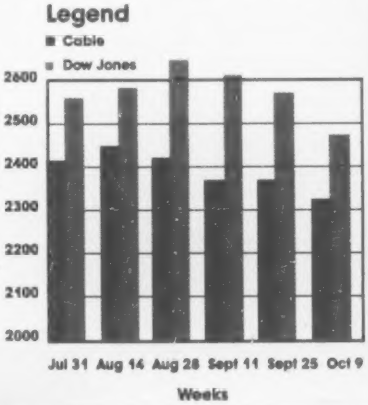

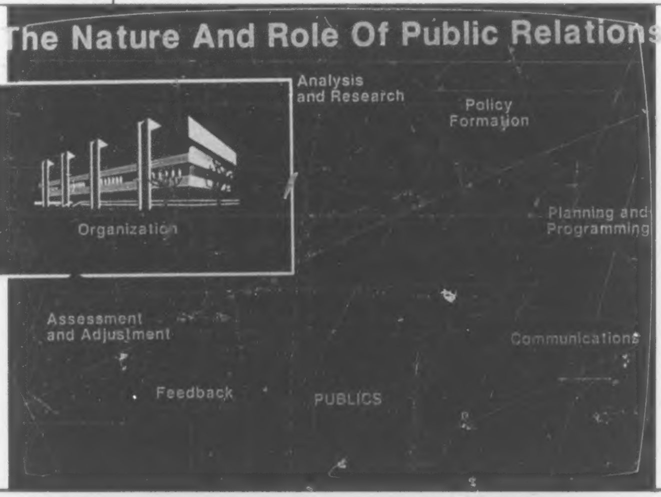

COVER STORY

Polishing cable's image 38
Cable public relations once was a contradiction of terms, but great strides have been made, especially at the system level, where cable is beginning to win friends and influence people. Cover photo courtesy of CTPAA

BETWEEN THE LINES

Golden Rule should apply to channel shifts

It was fascinating to watch an important segment of the cable industry ride a learning curve on the channel shifting issue at the Atlantic Show, mainly because it seems that in this skirmish, the troops may well end up leading the generals.

Many who attended the two major panel discussions on this issue at Atlantic City seemed puzzled why such a public policy brushfire has erupted in Washington over channel repositioning. And they listened intently as the generals—NCTA's Jim Mooney, NAB's John Summers, CATA's Steve Effros and INTV's Preston Padden—waged verbal warfare over a bill the broadcasters have had introduced in Congress requiring that your local city council be called in to arbitrate complaints brought by TV stations about their assigned channel number.

Well, saying that these trade association leaders engaged in verbal warfare is being kind to the broadcasters. They fired a couple of public policy pop guns, then retreated from Mooney's cannonade. It was painfully, embarrassingly clear that the broadcasters don't have any sustainable arguments why Congress should adopt such legislation. Even NAB's Summers admitted there is hardly any hope that such a law will be enacted. The real intent of the bill, he said, is to "fire a shot across cable's bow" on the channel repositioning issue. Something like the proverbial mule and the two-by-four.

Mooney held a two-by-four of his own, the joint industry must-carry compromise, but he merely tapped the broadcasters on the head with it by reading the sentence that says must-carry stations are entitled only to carriage on basic service. Exactly which basic channel is up to the cable operator.

But this is not to say that broadcasters don't have a real point here or that the government won't lend an ear to their complaints. But with Congress scheduled to hold oversight hearings this fall on the cable industry, it would be wise to settle such minor disputes well beforehand.

And here is where the troops are coming out ahead of the generals. Mooney doesn't relishe the idea of defending the industry in Washington on channel repositioning; he likely could beat the broadcasters on this one, but only at the expenditure of precious political capital. The fewer shots fired over his bow the better.

And if more operators are as level-headed as Gerry Lenfest, who appeared on one of the Atlantic Show panels, Mooney won't have to. In so many words, he said this is a problem that can and should be settled locally, without any help from Washington. Be a good neighbor to your broadcasting brothers, he advised. Simple courtesy, plus putting as many stations on-channel as is feasible, will make this rhubarb go away.

What is needed is greater communication at the local level between operators and broadcasters, Lenfest said. And out on the convention floor such a dialogue was occurring, with exhibits by public broadcasting and even a Philadelphia independent.

At the CTAM chapter meeting that preceded the Atlantic Show, one of best points made is that, because of their viewership, broadcasters are among cable's better programmers. They shouldn't be treated like your worst enemy.

—Steve Tuttle
Executive Editor

CableVision

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ABP BPA

Pay-Per-View Supply Chart

November

November	Source
Creepshow 2 (11/19) MPAA Rating: R Running Time: 92 mins. Cast: Lois Chiles, Dorothy Lamour, George Kennedy	**HBO Enterprises**
Gardens of Stone (11/7) MPAA Rating: R Running Time: 114.42 mins. Cast: Angelica Huston, James Caan, James Earl Jones.	**Tri-Star**
Gothic (11/14) MPAA Rating: R Running Time: 90 mins. Cast: Gabriel Byrne, Julian Sands, Natasha Richardson.	**Vestron**
Ishtar (11/19) MPAA Rating: PG-13 Running Time: 107 mins. Cast: Warren Beatty, Dustin Hoffman.	**Columbia**
Lethal Weapon (11/25) MPAA Rating: R Running Time: 110 mins. Cast: Mel Gibson, Danny Glover, Gary Busey	**Warner Bros.**
Making Mr.Right (11/1) MPAA Rating: PG Running Time: 101 mins. Cast: John Malkovich, Ann Magnuson, Ben Masters.	**Orion**
My Demon Lover (11/19) MPAA Rating: PG-13 Running Time: 86 mins. Cast: Scott Valentine, Michelle Little, Arnold Johnson	**Universal**
Party Camp (11/14) MPAA Rating: R Running Time: 95 mins. Cast: Andrew Ross, Jewel Shepard	**Vestron**
Police Academy 4: Citizens on Patrol (11/5) MPAA Rating: PG Running Time: 88 mins. Cast: Steve Guttenberg, Bobcat Goldthwait, Bubba Smith.	**Warner Bros.**
Project X (11/5) MPAA Rating: PG Running Time: 108 mins. Cast: Mathew Broderick, Helen Hunt.	**20th Century-Fox**
Rawhead Rex (11/30) MPAA Rating: R Running Time: 81 mins. Cast: David Dukes, Kelly Piper	**Vestron**
Round Midnight (11/1) MPAA Rating: R Running Time: 131 mins. Cast: Dexter Gordon, Herbie Hancock, Francois Cluzet.	**Warner Bros.**
Star Trek IV (11/11) MPAA Rating: PG Running Time: 119 mins. Cast: William Shatner, Leonard Nemoy	**Paramount**
Three For The Road (11/8) MPAA Rating: PG Running Time: 91 mins. Cast: Charlie Sheen, Kerri Green, Allan Ruck	**New Century/Vista**

December

December	Source
Amazing Grace and Chuck (12/1) MPAA Rating: PG Running Time: 115 mins. Cast: Jamie Lee Curtis, Gregory Peck, William L Peterson.	**Tri-Star**
Beyond Therapy (12/3) MPAA Rating: R Running Time: 93 mins. Cast: Jeff Goldblum, Tom Conti, Glenda Jackson.	**HBO Enterprises**
The Color Purple (12/1) MPAA Rating: PG-13 Running Time: 156 mins. Cast: Whoopi Goldberg, Danny Glover, Oprah Winfrey	**Warner Bros.**
The Gate (12/15) MPAA Rating: PG-13 Running Time: 87 mins.,40 secs. Cast: Stephen Dorff, Louis Tripp, Christa Denton.	**New Century/Vista**
Harry and the Hendersons (12/24) MPAA Rating: PG Running Time: 111 mins. Cast: John Lithgow, Melinda Dillon, Don Ameche.	**Universal**
Heartbreak Ridge (12/1) MPAA Rating: R Running Time: 130 mins. Cast: Clint Eastwood, Marsha Mason, Everett McGill	**Warner Bros.**
Million Dollar Mystery (12/12) MPAA Rating: PG Running Time: 95 mins. Cast: Tom Bosley, Rich Hall.	**HBO Enterprises**
Necropolis (12/23) MPAA Rating: R Running Time: 77 mins. Cast: LeeAnne Baker,Jacquie Fitz, Micheal Conti.	**Vestron**
Nightmare on Elm Street 3,Dream Warriors (12/24) MPAA Rating: R Running Time: 97 mins. Cast: Nancy Thompson, Kristen Parker, Max.	**Universal**
Outrageous Fortune (12/3) MPAA Rating: R Running Time: 99 mins. Cast: Shelley Long, Bette Midler, Peter Coyote, George Carlin.	**Touchstone Pictures**
Personal Services (12/23) MPAA Rating: R Running Time: 104 mins. Cast: Julie Walters, Alex McCowan.	**Vestron**
River's Edge (12/1) MPAA Rating: R Running Time: 99 mins. Cast: Dennis Hopper, Cristin Glover, Roxana Zal.	**HBO Enterprises**
Roxanne (12/3) MPAA Rating: PG Running Time: 107 mins. Cast: Steve Martin, Daryl Hannah.	**Columbia**
Summer School (12/23) MPAA Rating: PG-13 Running Time: 98 mins. Cast: Mark Harmon Kirstie Alley.	**Paramount**

Note: Running times are approximate.
Film information provided to ITCI by distributors.

Pay-Per-View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	Movies, how-to's, special events. 24 hours per day, approx. 50 titles per month	Currently serving 16 MSOs nation-wide (40,000 Impulse addressable subscribers)
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title, plus up to two licensed films edited for Playboy.	Available in systems serving 185,000 subs (139,000 addressable).
Request Television	November 27, 1985	Galaxy 1, tr. 12	VideoCipher II	Min. of four major motion pictures per week over 14 day cycle, special events.	Available in systems serving 3.6 million subs. (2.5 million addressable).
Telstar Channels	June 5, 1986	Interrum Standalone, testing on Telstar 303	Testing G.I. Starloc IV	Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events.	Available in systems serving 74,000 subs (11,500 addressable).
Viewer's Choice	November 26, 1985	VC-1 Satcom 3R, tr. 5, VC-2 Galaxy 1, tr. 16	VideoCipher II	One major motion picture per week, special events.	Available in systems serving 2.6 million subs. (1.6 million addressable).

Industry Growth

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite Lineup

Satcom III-R (RCA Americom)	**Transponder**
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	12
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
rytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
The Travel Channel	16
Trinity Broadcasting Network	3
TV Decisions	24
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weatner Channel	19

Satcom IV (RCA Americom)	**Transponder**
Alternate View Network	10
American Movie Classics	10
Biznet	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
The Motivation Network	3
National Black Network	19
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
The Silent Network	23V
SportsChannel-New England	23
SportsVision	9
WPIX—New York	19

Westar III (Western Union)	**Transponder**
CNN	5

Westar IV (Western Union)	**Transponder**
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)	**Transponder**
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)	**Transponder**
American Extasy	19
Country Music Television (CMTV)	13
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)	**Transponder**
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III	**Transponder**
The Meadows Racing Network	17
National Shopping Club	23
Sky Merchant	11

Spacenet I (GTE)	**Transponder**
ACTS	15

Note: A company name in parentheses following a service or network designates the transponder owner

Source International Thomson Communications Inc

Top 100 MSO's

Rank	Multiple system operator	Basic subs	
1.	Tele-Communications Inc.	4,200,000	(4/87)
2.	American Television and Communications Corp.	3,540,000	(6/87)
3.	Continental Cablevision	1,482,000	(8/87)
4.	Storer Cable Communications	1,395,000	(7/87)
5.	Cox Cable Communications	1,383,015	(6/87)
6.	Warner Cable Communications Inc.	1,367,000	(9/87)
7.	Comcast	1,200,000	(10/87)
8.	United Cable	1,109,801	(8/87)
9.	Newhouse Broadcasting	1,028,543	(8/87)
10.	Heritage Communications Inc.	1,019,331	(8/87)
11.	Viacom Cablevision	1,000,000	(8/87)
12.	Jones Intercable	928,305	(8/87)
13.	Times Mirror Cable Television Inc.	873,087	(7/87)
14.	Sammons Communications Inc.	826,581	(5/87)
15.	UA Cablesystems Corp.	771,278	(5/87)
16.	Cablevision Systems Corp.	740,836	(10/87)
17.	Paragon Communications	643,000	(9/87)
18.	Century Communications Corp.	600,000	(12/86)
19.	Cablevision Industries	585,198	(8/87)
20.	Daniels & Associates	561,246	(8/87)
21.	Rogers Cablesystems Inc.	535,207	(2/87)
22.	Centel Cable	501,857	(8/87)
23.	Telecable Corp.	498,165	(8/87)
24.	American Cablesystems Corp.	468,893	(8/87)
25.	Adelphia Communications	443,519	(7/87)
26.	Cooke Cablevision	435,000	(6/87)
27.	Scripps-Howard	380,000	(6/87)
28.	Choice Cable	379,000	(2/87)
29.	Wometco Cable TV Inc.	377,436	(7/87)
30.	Post-Newsweek	372,344	(4/87)
31.	TCA Group	331,730	(8/87)
32.	Prime Cable Corp.	330,709	(7/87)
33.	Tele-Media	295,933	(8/87)
34.	Multimedia Cablevision	285,830	(9/87)
35.	Maclean Hunter Cable TV Ltd.	276,186	(7/87)
36.	Colony Communications Inc.	259,229	(4/87)
37.	Rifkin & Associates	250,000	(4/87)
38.	Lenfest Group	244,813	(7/87)
39.	Western Communications	243,006	(9/87)
40.	TKR Cable Co.	233,191	(9/87)
41.	Communications Service Inc.	210,000	(12/86)
42.	Service Electric Cable TV Inc.	200,000	(9/87)
43.	TCI-Taft	197,853	(8/87)
44.	Adams-Russell Communications	175,000	(7/87)
45.	Cencom Cable	175,175	(8/87)
46.	Hauser Communications Inc.	170,000	(6/87)
47.	Sutton Capital Corp.	152,676	(8/87)
48.	Media General Inc.	151,211	(7/87)
49.	Harron Communications	150,770	(7/87)
50.	Greater Media	149,091	(9/87)
51.	Armstrong Utilities	139,060	(7/87)
52.	Palmer Communications	138,609	(8/87)
53.	Cable Systems USA	133,000	(9/87)
54.	Marcus Communications	131,108	(8/87)
55.	Televents Inc.	129,754	(8/87)
56.	Blade Communications	127,315	(8/87)
57.	Essex Communications Corp.	126,745	(7/87)
58.	U.S. Cable Corp.	119,548	(8/87)
59.	Summit Communications	118,134	(4/87)
60.	First Carolina Communications Inc.	114,104	(1/87)
61.	Simmons Communications	113,203	(8/87)
62.	Sonic Communications	111,585	(8/87)
63.	King Videocable	110,791	(8/87)
64.	Bresnan Communications Co.	110,546	(8/87)
65.	Multi-Channel V Cable Inc.	109,412	(7/87)
66.	Columbia International	109,000	(7/87)
67.	Harte-Hanks Communications	108,484	(8/87)
68.	Booth Communications	106,779	(10/87)
69.	Scott Cable Communications	106,277	(7/87)
70.	Northland Communications	106,100	(9/87)
71.	M.L. Media Partners	97,640	(8/87)
72.	James Communications	92,184	(8/87)
73.	Susquehanna Broadcasting	91,545	(8/87)
74.	McDonald Group	90,079	(8/84)
75.	Omega Communications	88,122	(8/87)
76.	Midcontinent Cable Systems Co.	88,104	(3/87)
77.	WEHCO Video	87,367	(8/87)
78.	United Video Management	83,589	(7/87)
79.	Pencor Services	83,281	(8/87)
80.	Star Cablevision Group	79,892	(7/87)
81.	C4 Media Corp.	68,171	(7/87)
82.	Selkirk Communications	68,000	(10/87)
83.	Masada Corp.	62,092	(8/87)
84.	Acton Corp.	60,035	(1/87)
85.	Mountain Cable Co.	59,336	(9/87)
86.	Chambers Communications Corp.	57,722	(8/87)
87.	Enstar Communications	56,596	(9/87)
88.	Cardinal Communications	53,870	(8/87)
89.	Insight Communications	53,256	(8/87)
90.	Hearst Communications of California	51,481	(9/87)
91.	North American Comm. Corp.	50,589	(8/87)
92.	Tidel Communications	50,427	(4/87)
93.	State Cable TV	49,956	(7/87)
94.	Galaxy Cablevision	49,006	(9/87)
95.	Helicon Corp.	49,000	(8/87)
96.	Commonwealth Cable Systems	47,500	(9/87)
97.	New England Cablevision	47,005	(7/87)
98.	Dowden Communications	46,603	(8/87)
99.	Joseph Gans Cable TV	46,532	(11/86)
100.	Donrey Cablevision	44,571	(9/87)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217.

Top 100 Systems

Rank	Location	Operator	Basic subs	
1.	Woodbury (Long Island), NY	Cablevision Systems Corp.	286,284	(10/87)
2.	San Diego, CA	Cox Cable	282,381	(6/87)
3.	Manhattan, NY	ATC	233,200	(6/87)
4.	San Antonio, TX	Rogers	220,510	(3/87)
5.	East Orange, NJ	Maclean Hunter	192,618	(7/87)
6.	Puget Sound, WA	Viacom	184,000	(8/87)
7.	Honolulu, HI	ATC	182,500	(6/87)
8.	Houston, TX	Warner	182,000	(9/87)
9.	Phoenix, AZ	Times Mirror	165,688	(7/87)
10.	Hartford/Plainville/Vernon, CT	United Cable	162,912	(8/87)
11.	Louisville/Jeff. Co., KY	Storer Communications	155,480	(7/87)
12.	Wayne, NJ	UA Cablesystems	154,622	(5/87)
13.	Cincinnati, OH	Warner	154,000	(9/87)
14.	Englewood, CO	United Cable	153,404	(8/87)
15.	Tulsa, OK	United Cable	147,344	(8/87)
16.	Hampton Roads, VA	Cox Cable	146,972	(6/87)
17.	Rochester, NY	ATC	145,300	(6/87)
18.	Cherry Hills, NJ	NYT	145,075	(7/87)
19.	Orlando,FL	ATC	143,500	(6/87)
20.	Atlanta, GA	Prime Cable Corp.	140,737	(7/87)
21.	Fairfax, VA	Media General	140,500	(7/87)
22.	Jacksonville, FL	Continental	136,000	(4/87)
23.	Kansas City, MO	ATC	130,000	(6/87)
24.	Baltimore County, MD	Comcast	130,000	(10/87)
25.	Buffalo, NY	Adelphia Communications	128,105	(4/87)
26.	Erie County, NY	Adelphia Communications	127,160	(3/87)
27.	Manhattan, NY	Paragon Cable	126,000	(9/87)
28.	San Jose, CA	Gill Industries	125,000	(9/87)
29.	Seattle, WA	Tele-Communications Inc	125,000	(12/86)
30.	Memphis/W. Memphis, TN	ATC	120,400	(6/87)
31.	Charlotte, NC	ATC	118,791	(3/87)
32.	Long Island, NY	Viacom	116,000	(8/87)
33.	San Francisco, CA	Viacom	112,000	(8/87)
34.	Austin, TX	ATC	110,900	(6/87)
35.	St. Louis Co., MO	Cencom Cable	109,732	(8/87)
36.	San Diego, CA	ATC	107,400	(6/87)
37.	Pompano, FL	American Cablesystems	106,903	(8/87)
38.	Warren, NJ	TKR	105,923	(9/87)
39.	San Juan, PR	ML Media Partners	104,823	(11/86)
40.	Toledo, OH	Blade Communications	104,108	(8/87)
41.	Dallas, TX	Heritage	100,713	(8/87)
42.	Southeast Michigan	Comcast	100,031	(10/87)
43.	Jefferson Parish/Kenner, LA	Cox Cable	98,574	(6/87)
44.	Wilmington, DE	Heritage	96,651	(9/87)
45.	Grand Rapids, MI	UA Cablesystems	94,542	(5/87)
46.	Pinellas County, FL	Vision Cable	93,920	(9/87)
47.	Indianapolis, IN	Comcast	92,000	(10/87)
48.	Dade/Broward, FL	Storer	91,511	(7/87)
49.	Escondido, CA	Times Mirror	90,893	(7/87)
50.	Richmond, VA	Continental	88,604	(7/87)
51.	Raleigh/Durham, N.C.	ATC	88,198	(3/87)
52.	Tacoma, WA	Viacom	86,000	(8/87)
53.	Pittsburgh, PA	Tele-Communications Inc.	85,000	(12/86)
54	Boston, MA	Cablevision Co.	83,942	(10/87)
55.	Wichita, KS	Multimedia Cablevision	82,406	(9/87)
56.	Oakland County, MI	United Cable	82,304	(2/87)
57.	Naples, FL	Palmer Communications	81,555	(8/87)
58.	Nashville, TN	Viacom	79,000	(8/87)
59.	Milwaukee, WI	Warner	80,000	(9/87)
60	Orange County, CA	Times Mirror	78,287	(7/87)
61.	Baton Rouge, LA	Daniels & Assocs.	78,140	(8/87)
62.	New Orleans, LA	Cox Cable	75,892	(6/87)
63.	Las Vegas, NV	Prime	75,169	(7/87)
64.	Akron, OH	Warner	75,000	(9/87)
65.	Allentown, PA	Service Elec.	75,000	(9/87)
66.	Flint, MI	Comcast	75,000	(10/87)
67.	South Bend, IN	Heritage	74,492	(8/87)
68.	Melbourne/Cocoa, FL	ATC	74,200	(6/87)
69.	Santa Monica, CA	Century	74,000	(5/86)
70.	Dover, Morristown, NJ	Sammons	73,787	(5/87)
71.	Cleveland Heights, OH	Viacom	72,000	(8/87)
72.	Columbus, OH	Warner	72,000	(9/87)
73.	Ocean County, NJ	Adelphia	71,961	(7/87)
74.	Contra Costa Co. CA	Televents	71,537	(8/87)
75	Cook County, IL	Continental	71,065	(10/87)
76	Medford Complex (Boston Suburbs), MA	Warner	71,000	(9/87)
77.	South Texas, TX	Heritage	70,859	(8/87)
78.	Fayetteville, NC	ATC	70,136	(3/87)
79	Omaha, NE	Cox Cable	69,513	(6/87)
80.	Harrisburg, PA	Sammons Communications	69,172	(5/87)
81	Hillsborough, FL	Paragon Cable	69,000	(9/87)
82	St. Petersburg, FL	Paragon Cable	69,000	(9/87)
83	Lower Fairfield Co., CT	Cablevision Co.	68,442	(10/87)
84	Little Rock, AR	Storer	68,043	(7/87)
85	Indianapolis,IN	ATC	67,600	(6/87)
86	Greater Bridgeport, CT	Cablevision Co.	67,570	(10/87)
87	Des Moines, IA	Heritage	67,345	(8/87)
88	Birmingham, AL	ATC	66,254	(3/87)
89	Oklahoma City, OK	Cox Cable	66,184	(6/87)
90	El Paso, TX	Paragon	66,000	(9/87)
91	Syracuse (suburbs), NY	NewChannels Corp	66,000	(7/87)
92	New Haven, CT	Storer	65,894	(7/87)
93	Lincoln, RI	Heritage	65,012	(8/87)
94	Winston-Salem, N.C.	Summit	64,072	(4/87)
95	Monterey, CA	Western Communications	63,815	(4/87)
96	W.San Fernando Valley, CA	Cablevision Industries	63,121	(8/87)
97	Madison, WI	Tele-Communications Inc	63,000	(12/86)
98	Westchester Co., NY	UA Cablesystems	62,804	(5/87)
99	Charleston, S.C.	Storer	62,413	(7/87)
100	Albuquerque, NM	Jones Intercable	62,234	(9/87)